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ABSTRACT

Case studies of a wide variety of state and local job related education and training programs revealed enough about the range of coordination activities nationally to permit generalizations about the current state of coordination. In a 2-year effort to examine the coordination of vocational education and Job Training Partnership Act (JTPA) programs, little evidence of duplication was found. Some isolated instances of destructive competition, primarily caused by local interest group politics, were found, but evidence of substantial destructive competition in the job training system was not found. Coordination can improve program effectiveness by ensuring that contracts are awarded to the most competent providers; that resources are allocated to the most appropriate education, training, and other job-related services; or by making possible a related set of services that are more effective than their individual components. It was found that collaborative service delivery, rather than collaborative planning, was emphasized, and that collaborative planning does not necessarily lead to the development of more effective programs through the coordination of resources. The emerging role of welfare-to-work programs in the education and training system is discussed and alternatives for federal policy and emerging issues in the "system" of work-related education and training are presented. A 29-item reference list is included. (CML)

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ORDER AMIDST COMPLEXITY:

THE STATUS OF COORDINATION AMONG VOCATIONAL EDUCATION, JOB TRAINING PARTNERSHIP ACT, AND WELFARE-TO-WORK PROGRAMS

Report to the U.S. Congress,
the Secretary of Education, and the Secretary of Labor

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INTRODUCTION

The coordination of job-related education and training programs continues to be a major concern of both federal and state policy. With the emergence of welfare-to-work programs required in the Family Support Act of 1988 (FSA) and programs for retraining workers required in the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA), the existing "system" of programs is becoming more complex and the need for coordination more apparent. The current legislative proposals before Congress to reauthorize the Carl D. Perkins Vocational Education Act and the proposed amendments to the Job Training Partnership Act (JTPA) will continue federal requirements for coordination,[1] and both the new welfare legislation and the legislation establishing worker retraining programs contain language designed to foster coordination with other programs. Moreover, innovative state efforts to develop better coordinated systems continue to emerge, and tremendous experimentation and innovation is under way at the local level.

Still, the purpose of all of this activity is not always clear. The primary concern remains the fear of *duplication*—that co-existing programs offer essentially the same individuals the same services, and that more coordination could make a large, expensive education and training system more efficient. However, in our efforts over two years to examine the coordination of vocational education and JTPA programs, we have found relatively little evidence of duplication, particularly because different programs serve different kinds of clients; they emphasize different kinds of services; and there are inadequate job-related education and training programs for the amount of people who need them (Grubb, Brown, Kaufman, & Lederer, 1989).[2] We remain convinced that this duplication is a chimera—perhaps a logical fear in any system of related programs that has grown large, complex, and varied, but not at all the problem that policymakers and program operators sometimes claim.

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[1] The proposals include H.R. 7, which would establish State Human Investment Councils, replacing a number of existing advisory groups; S. 543, which would keep the coordination requirements of JTPA and add new ones related to new programs; and amendments to JTPA sponsored by Senator Paul Simon, which would replace the 8-percent set-aside with one equal to five percent of Title II-A and II-B funds, to be used for a variety of coordination and innovations without any state agency decisions. Title II-A funds support the major JTPA services for economically disadvantaged adults and youth, while II-B funds provide summer employment and training for youth.

[2] This report on coordination, *Innovation Versus Turf: Coordination Between Vocational Education and the Job Training Partnership Act* (henceforth referred to as *Innovation Versus Turf*) elaborates on our first report; therefore, we refer to our earlier findings constantly.

A second concern involves the *competition* among programs, which is also associated with waste and inefficiency. Because we live in a society which regards competition as positive and which urges the public sector to behave more like the private sector, with its assumed reliance on competition, this concern about competition must be a fear of *destructive* competition. Destructive competition might occur if education and training programs win contracts not on the basis of effectiveness or cost, but on the basis of political power, irrational selection processes, skewed public goals, custom, or some other unmerited advantage. *Constructive* competition, on the other hand, might generate better programs by allowing high-quality or low-cost programs to prevail over their competitors—so evidently competition per se should not be a problem. Although we have found some isolated instances of destructive competition (see the first section), primarily caused by local interest group politics, we have failed to find evidence of substantial destructive competition in the job training system.

Because we have failed to find much duplication or destructive competition, our interest has turned to a different and relatively neglected benefit of coordination, that is, that it can increase the *effectiveness* of programs. As we clarify in the first section, coordination can improve effectiveness by awarding contracts to the most competent providers; by allocating resources to the most appropriate education, training, and other job-related services; or by devising a related set of services that are more effective than their individual components. This concept of coordination stresses efforts that combine funds or services or that redirect resources to different parts of the education and training "system," rather than requiring programs to advise one another, to share board members, or to share information.[3] In other words, we emphasize examples of coordination that involve *collaborative service delivery*, rather than *collaborative planning* (Bailis, 1987; Trutko, Bailis, & Barnow, 1989). Although requirements related to planning, advice, and information have been beneficial, particularly in making programs aware of each others' services, they do not necessarily lead to the development of more effective programs though the coordination of resources.

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[3] The regulatory requirements in the Perkins Act and JTPA legislation are summarized in Lewis (1986). In brief, the JTPA regulations require state coordination plans and local plans to describe how local programs will coordinate their services. The Perkins legislation requires the state plans for vocational education and local applications to describe their methods of coordination with JTPA and specifies the membership of various advisory councils to enhance coordination. In addition, JTPA includes a set-aside equal to eight percent of Title II-A funds to enhance collaboration. We will examine this set-aside in the second section.

The Organization of This Report

The most interesting coordination initiatives have developed at the local level. Therefore, the first section of this report reviews the different types of local coordination between vocational education and JTPA. In our previous work (*Innovation Versus Turf*, pp. 23-34), we identified seven different models of coordination. Based on more recent information, we elaborate on these models and provide further examples of each. In addition, we describe one other approach to coordination, which we identified this year.

Although it is necessary to examine local initiatives to see how coordination operates, state policy also plays an important role in fostering cooperation. In the second section, we examine a range of state policies on coordination, from those states that merely follow the letter of federal requirements to those—especially Massachusetts and Illinois—that have begun important state initiatives to improve coordination. It is clear from this review that the state efforts required by federal law—in the Perkins Act and the JTPA legislation, including the management of 8-percent funds—are not the most important state policies fostering coordination; where states have formulated more active policies about coordination, they have gone well beyond these federal requirements.

While coordination between vocational education and job training programs has been a subject of concern since the 1960s, the Family Support Act, with its requirement for welfare-to-work programs in the JOBS (Job Opportunities and Basic Skills) program, has generated a newer coordination issue: the relationship of welfare-related programs to vocational education and job training. Because this issue will become increasingly important as states move to implement JOBS, we have included welfare-to-work programs in our case studies. In many states, the implementation of these programs is only barely underway, but a few have already established state and local policies. Therefore, the third section describes the emerging welfare-to-work programs, how they use the existing JTPA and educational systems, and what problems have developed—problems similar to those that have arisen in coordination between vocational education and JTPA.

The subject of coordination has generated considerable frustration in Washington. One Congressional staff member described the efforts to coordinate programs "like nailing jelly to the wall." This frustration has led to Congressional efforts to tinker with coordination requirements; for example, proposed JTPA legislation would change the 8-percent coordination set-aside. Perhaps the most extreme proposal to surface is the

complete integration of funding for vocational education and job training. The fourth section examines federal policy options in the arena of coordination and assesses what the federal government can realistically achieve. Given the nature of effective coordination, which is now largely a local activity, and the structure of federal legislation, which delegates considerable authority to states, there are unavoidable limits to what federal policy can accomplish in the area of coordination. Rather than continuing to rail about the state of coordination at the local level, we suggest that federal policymakers could accomplish more by putting their own house in order. Common suggestions include clarifying the intent of federal legislation (especially coordination set-asides); simplifying client eligibility, accounting procedures, and other regulations that local administrators perceive as burdensome; and improving coordination among federal programs.

The first four sections of this report are policy-oriented: they suggest what local administrators can do to develop more effective programs and what state and federal policies can do to enhance coordination. In the final section, we raise more fundamental questions about where the job-related education and training "system" is going and what problems are emerging.[4] This "system" has become more complex with the continued development of vocational education and JTPA programs, the emergence of training programs within economic development strategies, and the enactment of welfare-to-work programs. As a result, it is difficult to discover what training occurs and which of its forms are most effective, making it all the more difficult to develop effective policy. But the economic imperative to train a more capable labor force will not disappear. It is crucial to examine the "system" to see what problems can be forestalled by current actions.

The Nature of Our Evidence: The State and Local Case Studies

Because the education and training "system" has become so complex, it is difficult to gather accurate information about it. Since the most interesting forms of coordination take place at the local level and there is so much variation among communities, there is no substitute for examining local programs. Furthermore, because many local programs are

[4] For other analyses of the entire "system" of work-related education and training, see Grubb and McDonnell (1990a, 1990b).

quite complex, it is necessary to visit them to determine how they operate.[5] To accomplish this, we conducted three kinds of case studies:

(1) *State case studies*

We conducted case studies in six states: Georgia, Illinois, Massachusetts, Minnesota, Tennessee, and Washington. These states vary considerably in income, in their balance of urban and rural populations, and in their employment structure; and they represent virtually all regions of the country. We chose them because of some particular phenomenon of interest in each state. For example, Georgia was selected for a competent state JTPA administration and a welfare-to-work program that was in operation before the Family Support Act. The Illinois state administration exhibits more control over job training and education than most. In addition, several Illinois community colleges administer JTPA, an especially interesting model of coordination. Massachusetts has a well-known welfare-to-work program, ET Choices, which has been operating several years longer than most welfare training programs. In addition, Massachusetts is in the midst of a major state-level coordination effort. Minnesota has numerous interesting characteristics: it is generally thought to have a progressive and competent state government; it has a series of technical institutes (in addition to community colleges) that provide interesting examples of postsecondary vocational education; and it also has a welfare-to-work program. Tennessee, like Illinois, has a number of community colleges that administer JTPA programs. Finally, the state of Washington has begun a welfare-to-work program that was reputed to be especially strong, and its JTPA system has a reputation of being competent.

In each state, we interviewed state officials in the secondary and postsecondary vocational education system (including, when appropriate, officials from the community college system and technical institutes); officials involved in JTPA; and individuals from the welfare department. Because of our interest in effective programs, we asked state officials to recommend local areas with exemplary coordination between vocational education and JTPA. We visited between two and

[5] We are quite skeptical of the usefulness of questionnaires for gathering information because the variety of programs offered is too great to devise appropriate questions. We are especially doubtful about efforts that ask state and local officials their opinions about coordination: they have every reason to exaggerate, and there is no way to check the validity of their responses. In our local case studies, we can at least ask JTPA officials about the claims of vocational educators, and vice versa, as a way of detecting exaggeration, false claims, and differences in perception.

five local areas in each state, interviewing administrators in vocational education, JTPA, and welfare-to-work programs. Like our selection of states, our selection of local programs was purposely skewed in the direction of exemplary programs.

(2) *California case studies*

Our selection of exemplary local programs raises the possibility that our perception of coordination has been distorted. Therefore, we supplemented the state case studies with a more diverse sample of programs. In California, an independent study by the State Job Training Coordinating Council interviewed officials in each of the fifty-one Service Delivery Areas (SDAs) and made a preliminary assessment of the level of coordination in each California SDA. We chose three of the SDAs the report categorized as having relatively good coordination with education programs, and two considered to have weak coordination. By investigating both kinds of SDAs in one state (and therefore subject to the same state policies), we hoped to clarify what conditions promote and hamper coordination. In alphabetical order, the five we examined were Mother Lode Job Training Agency in Sonora; the Richmond SDA; the San Diego SDA; the San Francisco SDA; and the Shasta County SDA. Three of these are in large cities and two (Mother Lode and Shasta County) are in rural areas. In these communities we interviewed local officials in institutions offering vocational education, including community colleges, high schools, and Regional Occupational Centers (the California version of area vocational schools), and administrators from SDAs and welfare-to-work programs.

(3) *The eight community studies*

As part of another study conducted by the National Center for Research in Vocational Education, we have examined every public job-related education and training program in eight communities: Fresno and San Jose in California, Miami and Jacksonville in Florida, Des Moines and Sioux City in Iowa, and Philadelphia and Scranton in Pennsylvania. While the scope of these eight community studies is broader than that of this research,[6] these case studies have also generated information about coordination issues. Although the states for the community studies were chosen to include policy initiatives of particular interest, the eight communities were not selected with regard to the extent of coordination between

[6] In brief, the purpose of these community case studies is to examine the effects on local programs of state policies, and to investigate the variation among communities in how the entire "system" of work-related

vocational education and JTPA. Therefore, like the California case studies, these communities provide examples of barriers to coordination as well as instances of exemplary efforts.

These state and local case studies contain rich detail about the operation of vocational education and JTPA programs. Since they are not a random sample of programs, the findings cannot be used to derive statistics describing the education and training "system," or to make claims that would require a comprehensive census. However, they reveal much about the variety of coordination activities nationally, allowing us to generalize about the current state of coordination.

COORDINATION AT THE LOCAL LEVEL

The variety of vocational education and job training programs that exists across the country is amazing, and the creative efforts that link disparate programs together are truly impressive. In this sense, the existing "system" has been successful; it not only allows for substantial local variation in response to local employment conditions, institutional arrangements, and politics, but it also grants creative administrators the freedom to craft innovative programs. That same freedom and variety, of course, also generate a sense of chaos and confusion in the system, and they are the source of the belief that the system is plagued by duplication and waste.

However, the case studies this year continue to support our previous assertion that there is little outright duplication in the employment and training system. The state and local administrators participating in this research have generally denied that duplication exists in their areas. The explanations they offer for the absence of duplication include the differences between the types of people served by vocational education and JTPA, since JTPA generally serves adults with less education and less labor market experience than adults in vocational education programs; the differences in the services they provide, since JTPA provides more job search assistance, on-the-job training, placement services, and other support services such as counseling, child care, and transportation than do

education and job training is structured. For our initial analyses of these issues, see Grubb and McDonnell (1989).

educational institutions; and the differences between the shorter-term training offered by JTPA and the longer-term training common in vocational education. In addition, the shortage of all education and training resources—particularly resources for the inexperienced, poorly educated, and marginally employed individuals who are the targets of JTPA and welfare-to-work programs—means that there is almost always excess demand for places in such programs, even when two programs offer the same services (*Innovation Versus Turf*, pp. 7- 11).

One of the few serious complaints about duplication that surfaced in our case studies provides a good illustration of how the education and training system can eliminate duplication. In Massachusetts, several local JTPA programs operate skill centers, which community colleges claim duplicate their offerings (Teitel, 1989). However, while a few skill centers, which were established in the Manpower Development and Training Act (MDTA) and Comprehensive Employment and Training Act (CETA) days, still exist, most have been closed. The functional equivalents of skill centers—vocational centers with intensive ten- to twenty-week open-entry/open-exit skills programs—operate in many areas, but these are run by adult schools, regional vocational schools, or community colleges, not by SDAs.[7]

An emphasis on effectiveness instead of duplication requires us to specify whether or not different approaches to coordination generate more effective programs and how effectiveness is achieved. This is the subject of the first part of this section. We next address the barriers to coordination, drawing in particular on the California case studies and the eight community case studies. The section ends with a discussion of several different conceptions of effective coordination that emerge from our case studies.

Models of Coordination Between Vocational Education and JTPA

Despite the variety of local coordination efforts, it is possible to discern patterns. In our previous research we identified seven models of coordination (*Innovation Versus Turf*, pp. 24-34), and we will elaborate on these models based on the findings of this year's case

[7] Service Delivery Areas (SDAs) are the local geographic regions served by JTPA. Each is governed by a Private Industry Council (PIC) that establishes policy, and is administered by a local administrative agency that may be part of a city or county government, a community college, a private non-profit agency, or a creation of the PIC. We will, somewhat loosely, refer to the local JTPA program as the SDA, including both the policy directives of the PIC and the administrative actions of the administrative agency.

studies. In addition, we have identified one other approach from this year's study that was not precisely captured by any of our previous models.

Model 1: JTPA Subcontracts with Providers of Vocational Education

By far the most common kind of cooperation between vocational education and JTPA is when JTPA uses community colleges, technical institutes, area vocational schools, and adult schools to provide vocational training. Often the educational institution has a subcontract with the SDA and provides classes specifically for JTPA clients. In other cases, SDAs refer individuals to community colleges and technical institutes without a formal contract. The individual referral method works well for SDAs that have comparatively few clients in classroom training, but some SDAs make extensive referrals to public education.[8]

While there has not been a census of JTPA referrals to vocational education, it is clear that the vast majority of SDAs send clients to vocational education programs. The National Alliance of Business reported that ninety-five percent of SDAs have some financial agreement with a provider of vocational education (Brady & Balfe, 1987). A recent study of fifteen representative SDAs found that almost all of them depend on public educational institutions—community colleges, technical institutes, and skill centers operated by school districts—for their classroom training. In fact, only two of the fifteen SDAs relied heavily on proprietary schools, and none used community-based organizations (CBOs) for occupational skills training (Kogan, Dickinson, Means, & Strong, 1989, Ch. 2), though in other areas CBOs are extensively used.[9] Similarly, a survey of community colleges has revealed that fifty-three percent have a contract for training or some other service with JTPA.[10]

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[8] There is a discrepancy between the results of our case studies, which suggest that contractual arrangements are more prevalent than individual referral, and the results of an intensive analysis of training in fifteen SDAs, which found individual referral to dominate in eleven of the fifteen SDAs studied (see Kogan et al., 1989, Figure II-5). It is possible that the programs to which we were directed are considered exemplary because they have contractual forms of cooperation with community colleges and technical institutes, rather than informal referral mechanisms.

[9] In the study of eight communities in Grubb and McDonnell (1990b), two, Philadelphia and Scranton, rely extensively on CBOs for skill training.

[10] These are preliminary results of a survey carried out by Robert Lynch at the American Association of Community and Junior Colleges, with support from the National Center for Research in Vocational Education. Complete results will be available in fall 1990.

The states in our case study that had collected information about the extent of JTPA-vocational education contracting confirm these results. In Minnesota, the State Council for Vocational-Technical Education reported that ninety-two percent of SDAs have contractual relations with vocational education providers, and in Washington ninety-six percent of the community colleges (but only forty-five percent of secondary schools) have responded to requests for proposals (RFPs) from SDAs. Of course, such findings do not indicate whether a typical SDA subcontracts with vocational programs for a substantial or a trivial amount of services, but they do indicate that such collaboration is widespread.

Although educational institutions perform a wide variety of services for JTPA, it is most common for these institutions to provide classroom education, including both remedial education and occupational skills training. Typically, recruitment, assessment, and placement are performed by other agencies. In fact, when community colleges and other postsecondary institutions provide a wide variety of services in addition to classroom training, SDAs sometimes complain about the quality of those services. For example, the Miami SDA contended that the community college and adult schools were less adept at recruitment and placement than CBOs. Conversely, while CBOs were better equipped to recruit clients and place them, they were less skilled at classroom training.

This perception of the strengths and weaknesses of vocational institutions reflects a historical specialization of function: vocational programs have always provided classroom instruction, but typically they have not been engaged in recruiting the kinds of students eligible for JTPA. Nor do they have strong job placement services. Yet vocational education may be changing, partly as a result of the interaction between vocational education and JTPA. For example, Fresno City College (California) has added a number of job placement specialists as a result of its experience with JTPA. Community colleges nationally have become more interested in providing assessment and counseling—staples of job training programs—as antidotes to higher dropout rates. Still, the convention has been for JTPA to take advantage of vocational education's strengths in classroom training.

Several factors affect the proclivity of educational institutions to work with JTPA. One is the institution's vision. Community colleges and technical institutes that see themselves as community agencies will search out funds to provide any service the community needs. Such institutions will collaborate with JTPA, even when there is little direct benefit to the institution, as a way of enrolling students who otherwise would not have access to postsecondary education. JTPA funding also allows colleges to serve

employers through customized training and to raise community awareness of their activities. In contrast, some community colleges which view themselves primarily as colleges, stressing the function of transferring students to four-year institutions, are likely to be less interested in working with JTPA.

The intensity and duration of vocational offerings also affect collaboration with JTPA. In our observation, it is more common for JTPA programs to contract with area vocational schools and technical institutes, which tend to have intensive short-term, open-entry/open-exit programs suitable to JTPA, or with community colleges for short-term programs, than to participate in lengthier certificate and Associate degree programs. In Minnesota and Washington, which have both technical institutes and community colleges, SDAs are more likely to contract with technical institutes than with community colleges. SDAs in Georgia make extensive use of the adult technical institutes but not the community colleges. Similarly, an SDA in California contracts the largest proportion of its funds to a program run by the local Regional Occupational Program, which provides open-entry/open-exit programs lasting five hours per day over one hundred and twenty days. These shorter, more intensive programs are more consistent with the average training time of JTPA programs—about eighteen weeks (Butler, 1989)—than are the one- and two-year vocational programs of community colleges.

In addition, certain complaints from the JTPA system about the vocational system—about its preoccupation with longer-term training and its reluctance to serve the lower-ability individuals that JTPA enrolls—are more often levied against community colleges rather than technical institutes and area vocational schools. Those community colleges that are trying to hold on to their image as academic institutions, preparing students for transfer to four-year colleges, are reluctant to become involved in short-term job training. This barrier does not exist for technical institutes and area vocational schools.

The dark side of this kind of coordination, however, is that the shorter-term programs offered in technical institutes and area vocational schools usually provide less vocational instruction than longer certificate and Associate programs; and those who complete these programs appear to have access only to entry-level jobs. In general, the earnings advantages of vocational Associate degrees are substantially higher than those of short-term programs and certificate programs, especially for men (Grubb, 1989).

Fresno City College is one institution that offers short-term training through its Vocational Training Center, providing programs of fifteen to twenty weeks duration for large numbers of JTPA clients and those enrolled under California's welfare-to-work program. Placement information available from shorter, intensive vocational courses shows placement in entry-level positions at wage rates of roughly $5 to $7 an hour, wages barely exceeding the poverty level, [11] and sometimes not high enough to induce a family to go off public support since AFDC (Aid for Families with Dependent Children) families qualify for medical benefits and do not have to pay work-related expenses such as child care and transportation. The decision of JTPA programs to support training in these relatively short programs, and the decision of technical institutes and area vocational schools to offer the training, may enable individuals who would otherwise remain unemployed to enter the labor market, but it can doom these individuals to jobs that leave them teetering on the brink of poverty.

Similarly, the trend among community colleges to bend to meet JTPA's demand for short-term training has its dark side. In Massachusetts, community colleges are developing short, fifteen-week certificate programs so that JTPA participants can qualify for Pell grants, available only to students enrolled in certificate and degree programs. The fifteen-week courses are considerably shorter than the typical certificate programs, which usually last one year. Administrators at the Board of Regents fear that colleges will increasingly turn to shorter programs that "train people for jobs, not for professions" due to JTPA's influence.

When SDAs contract with vocational institutions for classroom training, the schools and colleges usually receive state aid for the JTPA clients they enroll.[12] This funding mechanism has several consequences. First, it increases the fiscal incentive for vocational

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[11] For 1989, the poverty standard for a family of three was $10,060, and for a family of four was $12,100, or about $6.00 per hour based on full-time employment. Furthermore, individuals in relatively unskilled positions are susceptible to spells of unemployment, further lowering their annual earnings.

[12] State aid to both secondary and postsecondary institutions is typically allocated on the basis of average daily attendance (ADA) or full-time equivalent students (FTE), and these state funds are often referred to as ADA or FTE funds. The exception occurs in states like Massachusetts and Florida, where community colleges receive appropriations that are not precisely related to attendance. In these cases, institutions do not have any fiscal incentive to increase their enrollments of JTPA clients. In some other states, there are differences in state aid that affect institutions wanting to contract with JTPA. For example, California pays less for non-credit courses than for credit courses, so that enrollments in the non-credit short-term programs more compatible with JTPA—like those in Fresno's Vocational Training Center or in the state's Regional Occupation Centers and programs—generate less funding than enrollments in regular community college vocational courses. In addition, the state has imposed a limit or cap on the enrollments it will support; in community colleges at their caps, there are no fiscal incentives to increase enrollments from JTPA.

institutions to cooperate with JTPA because doing so will increase their enrollments and state funding—an incentive that does not operate if, as in California, there is a limit or cap on the enrollments that generate state revenue. Second, it *potentially* increases the resources in the job training system: often JTPA funding covers the excess costs associated with smaller classes, extra tutoring, counseling, remediation, and additional monitoring and paperwork, while the educational institution covers the "normal" costs of instruction through state funding. Third, it allows publicly funded institutions to charge JTPA less than CBOs and proprietary vocational schools must, since the latter lack public funding. In many SDAs, there is substantial price competition among potential providers of job training, particularly given the JTPA performance standards related to costs (such as cost per entered employment). Therefore, public funding gives community colleges and technical institutes a competitive edge—and generates some complaints from private schools and CBOs about unfair competition.

When community colleges and technical institutes charge JTPA less than their total costs because of state funding, then the total resources available to each JTPA client may or may not be higher than when SDAs subcontract with CBOs. In effect, this approach to coordination is one in which state revenues are substituted for federal resources, allowing more JTPA-eligible individuals to be served with the available federal resources. Except in a few cases, it is difficult to determine the relative amounts of state and federal resources combined in this model. In Minnesota, the state pays seventy-five percent of the costs of postsecondary education when JTPA clients enroll in technical institutes, while JTPA pays the remaining twenty-five percent plus costs of some support services. At the same time, many JTPA clients also receive state and federal student financial aid, increasing the state and the federal resources invested in these individuals. In general, the state resources used for JTPA clients enrolled in public schools appear to be substantial. Therefore, this pattern of funding converts what is nominally a federally funded program into a state-federal program, even though the magnitude of state contributions is typically unknown and no state policies govern the use of the funds.

Model 2: Systematic Allocation of Functions to Specific Institutions

In our previous investigation, we found several cases in which a mechanism had been developed to allocate particular services to the providers most capable of delivering them, or to direct individuals to the programs best suited to their needs and interests (*Innovation Versus Turf*, pp. 26-28). However, Richland Community College in Illinois

is the only example of this approach we came across this year. Richland Community College serves as a liaison between the JTPA system and the vocational education community. All JTPA clients who need vocational training are referred to the community college, which then determines which institution would best serve the individual. (The college also coordinates all funds for adult basic education and GED programs for the SDA.) Although such systematic methods of allocating responsibilities to different programs appear to be relatively rare, many programs believe that such arrangements would be ideal. For example, the Miami SDA—which has discovered that CBOs are strong in recruitment and job placement, while local adult schools provide better classroom training—is trying to develop a mechanism for such an allocation of resources.

Model 3: Using JTPA to Provide Support Services in Colleges and Technical Institutes

Another form of coordination is the use of JTPA funds to provide support services such as child care, transportation, counseling, assessment, remediation, and sometimes stipends to students at community colleges and technical institutes. This routinely occurs when an SDA sends its clients to such institutions; however, educational institutions may take a somewhat different approach and enroll their JTPA-eligible students in JTPA so the students can receive support services that are not available through the school. Because many postsecondary vocational programs enroll large numbers of low-income and other JTPA-eligible students (especially displaced homemakers), this approach could potentially increase services for many postsecondary vocational students.

The Department of Education in Georgia recommends that 8-percent funds be used for counseling and other retention-related services for JTPA-eligible individuals enrolled in technical institutes. Consistent with this recommendation, the Athens Area Technical Institute uses 8-percent funds to provide counseling, tutoring, and job placement for JTPA-eligible students—services that are not available to other students. In addition, the institute uses Title II-A funds to cover tuition, fees, child care expenses, transportation, and meals. JTPA-eligible students routinely apply for Pell grants to cover other living expenses during training. In Tennessee, Columbia State Community College, which administers the local JTPA program, uses 8-percent and Title II-A funds to cover tuition, fees, and supplies for eligible students. JTPA is widely advertised at the college as a source of financial aid to low-income students, so that eligible students are as likely to hear about JTPA from the college as from the SDA. In this case, however, students supported with Title II-A funds

can only enroll in programs lasting fifty-two weeks or less (those enrolled with 8-percent funds can enroll in longer programs).

This approach to collaboration has the same outcome as JTPA subcontracts with community colleges and technical institutes for training, but there are important differences. In both cases, individuals receive vocational training and ancillary services funded by both JTPA and the state. But in this model, students already enrolled in postsecondary institutions are identified as JTPA-eligible and then receive JTPA services. In the models previously described, individuals recruited through the JTPA system are directed to postsecondary training. There may be selection effects depending on how the client enters this training/support service system. JTPA-eligible individuals who enroll in postsecondary institutions on their own may be more motivated or better prepared for college than those recruited through JTPA. There may also be a difference in the training available for clients enrolling through JTPA and for those who enroll first in postsecondary schools: JTPA is likely to direct individuals to short-term, intensive non-credit programs, whereas JTPA-eligible individuals already enrolled in postsecondary institutions are more likely to be in regular certificate and Associate programs.

Although there are many examples of this approach to collaboration, we suspect that it is less common than SDA subcontracts with community colleges to provide classroom training. One reason for this is that expenditures for support services from Title II-A is limited to fifteen percent of those funds. In a recent study of fifteen SDAs, one third of them provided very few supportive services, and only four out of the fifteen provided extensive services (Kogan et al., 1989, Ch. II). It is unlikely, therefore, that many SDAs will have sufficient funds for support services to assist individuals referred to JTPA by educational institutions.

Historically, job training programs have attached greater importance to support services than have education programs. More precisely, educational institutions have provided certain services—assessment, counseling, tutoring, and remediation—while other services—especially child care, transportation, work-related clothing and materials, and stipends—have been provided by JTPA but rarely by educational institutions. However, community colleges and technical institutes are increasingly aware of the importance of support services, partly in response to increases in dropout rates, and partly as a result of increased enrollment of JTPA and welfare-to-work program clients, whose access to support services has made the absence of such services for "regular" students more

obvious. Increased support services have come from statewide initiatives such as the California matriculation system to provide assessment and counseling to all entering students and the North Carolina network of Participant Service Centers. Still, vocational education programs have limited budgets for support services, so educational institutions will probably continue to seek modest amounts of JTPA funds to provide such services to eligible individuals.

Model 4: Customized Training that Includes JTPA Clients

Another model of coordination occurs when community colleges and technical institutes provide customized training for particular firms and include JTPA-eligible clients in the training programs. Typically, customized training programs are supported with a variety of public and private funds. In almost all cases, the private firms make substantial contributions to pay for the training. Nearly all states have publicly funded programs specifically for customized training, usually as part of their economic development initiatives. The best-known examples of these programs include the Employment Training Panel in California and the Bay State Skills Corporation in Massachusetts, and its progeny in other states such as the Sunshine State Skills Corporation in Florida and the Bluegrass State Skills Corporation in Kentucky.

Although most customized training programs do not systematically include JTPA clients, there are some examples of coordinated activities. For example, Georgia's Quick Start program provides funding for customized training in technical institutes and can enroll JTPA clients. In this program, individuals receive support services from JTPA funds during the training period, thereby reducing the amount of training stipends the employer must provide. The Danville Area Community College in Illinois, which is the administrative entity of the local SDA, supports customized training for local businesses that include JTPA clients. Similarly, Bristol Community College in Massachusetts operates customized training programs using Title II-A funds for JTPA-eligible individuals and state revenues for the other students. The SDA in Dakota County, Minnesota, has subcontracted its training programs to the Dakota County Employment and Training Center, which is operated by the Dakota County Technical Institute. The Center places a number of JTPA clients in the customized training programs operated by the technical institute.

Customized training programs lend themselves to coordination with JTPA because they are typically shorter than certificate and Associate programs and, thus, more

compatible with JTPA standards of program duration and cost. In addition, customized training has a built-in job placement mechanism: the sponsoring firm tends to hire a high proportion of those completing customized training.

Differences in outlook can impede the operation of this model. Customized training programs are "business-oriented," or primarily concerned with facilitating hiring and productivity for employers, rather than being "welfare-oriented," or primarily concerned with improving the employment of the poor and unemployed. In some areas, customized training programs are reluctant to include JTPA individuals because of the negative attitudes of many business people about JTPA, which they perceive as enrolling low-ability individuals unprepared for work. (However, this stigma is not ubiquitous: some SDAs have established good relationships with particular firms that are experienced with JTPA.) These differences in outlook can be minimized. For example, some Private Industry Councils (PICs) consider themselves to be very business-oriented, with members of the business community playing an active role in the PIC.

Model 5: Integrating Funds in New Institutions

Yet another model of coordination emerges when new institutions are established that combine funds from several different programs. One such example is the Job Service Center in Bingen, Washington, which has developed into a one-stop training and placement center. The center provides all JTPA services, welfare-to-work programs, a dislocated worker program, ESL, Adult Basic Education sponsored by two community colleges, alternative courses for high school students, and GED preparation. Another example of this coordination model is the Dakota County Employment and Training Center in Minnesota, which is operated by a technical institute. However, these centers do not have to be operated by educational institutions: the Anoka County Job Training Center in Minnesota operates a variety of programs with many funding sources, but it is a county department that serves as the administrative entity for the SDA. Thus, these hybrid institutions can be initiated in many ways, but they all draw together funds from various sources.

Model 6: Enhancing Services to High School Students

The most common pattern of collaboration between JTPA and high schools involves programs to assist students at risk of dropping out. In fact, a majority of SDAs seem to offer such programs. The Summer Training and Employment Program (STEP), a

national demonstration project operating in many states, is one example. In Tennessee STEP programs, potential dropouts enroll in the JTPA summer youth program, during which they attend remedial education classes in the morning and JTPA-subsidized work experience in the afternoon. During the school year, JTPA-funded counselors provide students with support, tutoring, and encouragement. In Miami, a JTPA-funded dropout prevention program works with the schools to identify youth most likely to drop out; it then provides summer employment, as an incentive to interest individuals in the program, and also provides counselors to work with these students during the school year. The counselors, who have case loads of only two students, provide tutoring, career counseling, and advice about the myriad problems of daily life. In Illinois, Danville High School runs a work-study program for 14- and 15-year olds, offering part-time jobs (funded by JTPA) combined with counseling and a high school employability skills class. Occasionally, these programs involve postsecondary institutions as well. Illinois Central Community College, for example, operates a tutorial program in five local high schools for students with attendance problems, supported by 8-percent funds, Perkins funds, and state revenues. In most of these instances JTPA operates the programs at the high schools, but in some cases a functional alternative to the high school is created. The Brockton Futures Program in Massachusetts serves several groups of students in alternative schools based on the premise that students likely to drop out may learn better out of the regular high school environment.

These programs generally combine JTPA funding with regular support through the school system (including state attendance-based or "ADA" funds) because the clients are still enrolled in high school. As is true of contracts between JTPA and postsecondary education, JTPA contracts with high schools convert what is nominally a federal program—JTPA—into a program with federal, state, and local support. (It is probably more appropriate to view this as JTPA funds supplementing school budgets rather than state resources supplementing the JTPA program because the "clients" in this case are high school students.)

In some cases this approach to cooperation results in real collaboration; for example, schools provide additional counseling and tutoring while JTPA provides other support services. In some examples, however, school districts use JTPA funds in ways that, although they benefit students, do not particularly enhance cooperation. For example, one JTPA program recruits youth who have left school and re-enrolls them in high school. The school district thereby increases its ADA (average daily attendance) funding from the

state. The district keeps half the ADA funds generated and gives the other half to CBOs that use the ADA with regular JTPA funding to provide alternative education and training. Everyone seems to benefit from this arrangement. Young high school dropouts receive education that they would otherwise not have received. The school district's dropout rate is lower and it gets to keep one half of the state ADA funds it would have lost if the student was not enrolled. The CBOs that provide education and training have more resources to serve a difficult population. Finally, the SDA can demonstrate that it has cooperated with the schools in devising an innovative program for dropouts. In this particular case the entire initiative has come from JTPA; the high school's role is to serve as a conduit for state revenue, not to cooperate in the provision of education, training, or related services.

When JTPA works with high schools, the most apparent benefit is that a relatively small number of individuals receive relatively intense services such as remediation, counseling, reduced class sizes, and motivation to stay in school (through the inducement of summer employment) which the schools cannot afford to provide for the entire high school population. In some cases, JTPA operates to replace an educational institution (regular high school) that has failed some of its clients (the dropouts). Perhaps because of differences in approach, philosophy, class size, teacher-pupil ratios, or the characteristics of the instructors, JTPA may have a better chance than the regular high school of success with the dropout.

Perhaps all schools ought to use such approaches with all students at risk of dropping out. Come the millennium when public education is funded adequately to realize the dream of "educating all students to the limits of their abilities," there will be no need for JTPA or any other job training program to support intensive services for high school students. But until substantial new resources become available to secondary schools, there will be a continued demand for JTPA funds to supplement school budgets, even if this support is limited, so that schools can meet the special needs of those students most at risk of dropping out.

Model 7: Community College Administration of JTPA

In a small number of states, community colleges administer JTPA programs. In theory, this approach provides an opportunity for excellent coordination between vocational education and JTPA because it should eliminate turf battles and institutional barriers and enhance the good personal relationships associated with good coordination. Easier

communication between JTPA and college administrators—now colleagues—should facilitate cooperative arrangements, especially for the enrollment of JTPA clients in postsecondary vocational education and the referral of JTPA-eligible community college students to JTPA services. Yet another theory is that community college administration of JTPA would lead colleges to capture more JTPA funds for their institutions than is appropriate. For example, a college-run SDA might eliminate effective CBOs or adult schools as JTPA contractors or neglect on-the-job training despite its potential efficacy.

In our previous field work, we examined several Iowa SDAs administered by community colleges. In that state, both state and local administrators thought that college administration of JTPA was not especially effective in fostering coordination. They related anecdotes about community colleges at which the JTPA staff did not have good relationships with the staff of the regular vocational programs (*Innovation Versus Turf*, pp. 33-34; also see the appendix describing the Iowa case study), suggesting that administrative arrangements alone may not facilitate coordination. However, this finding ran counter to the assumption that community college administration of JTPA would facilitate good relationships and good coordination. Therefore, to shed more light on this particular model, this year we visited local programs in two other states—Illinois and Tennessee—where a relatively large number of SDAs are administered by community colleges.

In Illinois, three of the twenty-six SDAs are administered by community college districts. At the local level, the community colleges that operate JTPA programs are very different. Vermilion County, where the SDA is administered by Danville Area Community College, has the kind of enhanced coordination we had expected to find at a college SDA. In this rural area the PIC had made a unanimous decision to make the community college the JTPA grantee. The SDA was interested in offering longer-term training and regarded the community college as a logical location for the SDA. The JTPA office is now housed on the community college campus and is a department within the college's administrative structure. This arrangement facilitates coordination with the community college and with local secondary schools who regard the JTPA staff as "school people" rather than "job training people." The SDA has an impressive array of coordinated programs, including JTPA-funded programs at the community college in hospitality services, computer training, welding, machinist training, and customized training for local businesses. In addition, the

SDA funds a dropout prevention program in the local high school and a JTPA 8-percent work-study program for 14- and 15-year-old students.

In contrast, the western Illinois SDA, where the Carl Sandburg Community College is the JTPA grant recipient, has no more cooperation between job training and the community college's vocational programs than can be found in SDAs not administered by community colleges. One possible reason for this is that the college is not the sole local JTPA administrative entity: the college administers JTPA funds in five of the SDA's counties and a regional council administers JTPA in the remaining four counties. In addition, the SDA administration is physically separate from the rest of the community college campus. Local SDA staff contended that their relationship with the community college facilitates coordination with college programs because they understand how the college operates and have credibility with college administrators. However, this arrangement seems to make little difference in the kinds of programs and services offered to JTPA clients.

Seven of the fourteen SDAs in Tennessee are also administered by community colleges. When JTPA legislation was first enacted, the governor wanted all SDAs administered by community colleges, and the local officials in half the SDAs were persuaded to adopt this approach. Community college administration in Tennessee gives SDAs, which describe themselves as college departments, greater legitimacy with their education and industry contacts. In addition, these SDAs use the administrative structures of the colleges such as the accounting systems and the legal counsels. Despite the benefits, there is a consensus that this administrative arrangement does not affect the kinds of services offered to JTPA clients. Like other SDAs, the SDAs located in community colleges see their primary mission as job placement and, when choosing a mix of services, they are just as concerned about meeting performance standards as are other SDAs. A review of state statistics revealed no difference between the combination of classroom training and other services offered by the Tennessee SDAs administered by community colleges and the other SDAs.

The findings from these three states are relatively consistent. When community colleges operate SDAs, they are still subject to the powerful incentives imposed by performance standards and funding constraints; on the whole, therefore, this form of administration seems to have little impact on the kinds of services provided. However, there is considerable variation among the SDAs operated by colleges. The results of

community college administration of SDAs depend on how the college organizes the SDA office and how much authority is granted the SDA by the PIC. Where community colleges have established JTPA administrative offices physically and organizationally close to the rest of the college, the collaboration seems to be closer. Administrative offices that are physically separate and administratively distinct from the rest of the college often are indistinguishable from other kinds of local administrative entities.

Model 8: Consolidation of Decision-Making Power

A final approach to coordination, which was not identified in the case studies last year, is the consolidation of regional decision-making power over multiple sources of funding. This is the model for the Regional Employment Boards (REBs) in Massachusetts. When fully operational, REBs will make decisions about the use of funds from a variety of federal and state programs and allocate these resources to local service providers. Recently, the Hartford area in Connecticut has developed a Joint Policy Board that controls funds from JTPA, the Perkins Act, the welfare system, and a state-funded program, and allocates these funds to local providers. This model may facilitate a rational allocation of education and training responsibilities among potential service providers.[13]

In this model, a substate entity receives a variety of federal and state funds, including JTPA, Perkins, and welfare funds; revenues from state economic development, education, and training initiatives; the funding for the Employment Service; and vocational rehabilitation money. This regional entity then decides which local service providers will receive funding from this large pot of money. Local providers, then, can create programs to meet the special needs of a specific population and concentrate on providing the specified services, rather than focusing on creating programs to comply with the diverse (and sometimes conflicting) administrative requirements of various state and federal funding sources. Funded agencies can include public education institutions, private proprietary schools, CBOs, unions, firms, and the entire range of providers usually funded by JTPA. The substate entity differs from regional coordination boards because it actually administers funds and chooses service providers, rather than merely acting as an advisor. Such an agency differs from existing SDAs (service delivery areas) because it has control over more types of funds.

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[13] Because we have not visited the Hartford program, we have not seen how this mechanism operates in practice. Our information comes from the "Request for Proposals to Provide Year-Round Education, Employment, and Training Services," Hartford Service Delivery Area (January 5, 1989).

In theory, this approach has many advantages. The substate entity is more familiar with local employment conditions than are state offices; it knows about the characteristics of the local population in need of education and training; and it is familiar with the strengths and weakness of local providers. Therefore, this agency can consider all factors in its decisions about what population to serve, the types of education and training to offer, and which organizations to fund. When the regional entity discovers combinations of training, education, and support services that meet the needs of the local labor market and clients, it can fund these services, rather than having to rely on coordination among institutions with competing priorities to support a program. This can be far more rational than the more common system in which these decisions are made in isolation from each other—some by state and some by local administrators.

It is too early to know whether this particular approach to coordination will work as envisioned by Massachusetts and Hartford.[14] However, one possible flaw is immediately evident. The vast majority of funding for vocational education and job training does not flow from vocational education and job training legislation, but from general funding for secondary and postsecondary educational institutions. As long as these funds remain outside the control of the regional funding entity, or any coordination board, then problems of coordinating the regular programs of high schools, area vocational schools, community colleges, and postsecondary technical institutes with the programs funded by the regional entity may persist. In addition, whether or not a regional entity can surmount the pressures of local politics—a problem which has seriously affected the coordination of vocational education and JTPA in some cities—remains to be seen.

In conclusion, we have found a variety of approaches to coordination at the local level. Of course, these approaches are not equally common. JTPA subcontracts with community colleges and other postsecondary vocational institutions are very common, while several of the other models are comparatively rare. But the variety of approaches demonstrates the energy and creativity in devising new ways to offer education and training services. Many of these mechanisms have potential for generating hybrid programs in which different types of providers offer the services that suit them best. Through cooperative ventures, JTPA, with its emphasis on support services such as job placement, its focus on a relatively disadvantaged population, and its relentless attention to

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[14] In Massachusetts, the new system went into effect in July 1989; when we visited in April 1989, local providers were apprehensive about the change but could provide little information about its direction. The Hartford coordination effort will be in place for the program year 1989-90.

performance standards can be combined with the more sophisticated classroom training and the longer-lasting programs typical of vocational education, creating programs that are more effective than their components would be separately.

Structural Barriers to Coordination

While examining local programs whose coordination is considered exemplary, it is easy to paint an optimistic picture of cooperation between vocational education and JTPA programs. However, in some of our case studies—the five California SDAs and the eight communities in California, Iowa, Pennsylvania, and Florida—we visited a sample of local communities in which coordination ranged from exemplary to nearly nonexistent. The results of these case studies provide a more complete picture of the status of coordination and particularly of the barriers to coordination that persist between JTPA and vocational education programs. (It is traditional in studies of vocational education and JTPA to include a section on barriers to coordination, and we would not want to break with tradition. For a thorough review of the literature on this subject, see Bailis, 1988).

Several barriers to coordination seem much less important now than in the past. One of the most frequently mentioned barriers is the nature of personal relationships among administrators, especially because educators and JTPA administrators invariably see good institutional ties growing from close personal relationships among program staff. In contrast to the common assertion that simple ignorance about other programs is widespread, we found an abundance of personal contacts between vocational educators and JTPA administrators in most of the communities we visited. Members of the job-related education and the training communities work together on various boards and coordination councils, even when there are no coordinated programs. When agencies have contracts or joint programs, they have even more contact. Even if these relationships are not always amicable, the high level of information about other programs that we saw in virtually every community means that any lack of coordination cannot be blamed on poor contacts. Even so, there is little that federal or state policy can do to stimulate such relationships aside from requiring JTPA and vocational education to join coordination councils, participate on boards, and exchange plans and information—all of which are already required by the Perkins Act and JTPA legislation.

Another commonly cited barrier is the use of performance contracting by JTPA in which providers of education and training are paid only after completing specific steps in the training process.[15] When educational institutions have shied away from performance contracts, JTPA administrators have criticized them for being unwilling to take risks and to be held accountable for performance. However, the case studies demonstrate that performance-based contracts do not have to be a major barrier to coordination. The large amount of subcontracting between SDAs and community colleges, technical institutes, and area vocational schools—much of which involves performance contracts—indicates that educational institutions can adapt to these practices. These educational institutions have had to make changes in order to meet performance requirements such as increasing their job placement efforts. But with time and experience, educational institutions can adapt to the demands of JTPA.

If these two reasons are not formidable barriers to coordination, what explains the lack of cooperation in some areas? In SDAs where coordination was poor, one of three structural causes was apparent: the choice by SDAs of what services to provide, a dissatisfaction with the offerings of local educational institutions, and local politics.

The Choice of Services

Several SDAs that had limited relationships with education had chosen to put a majority of their training funds—up to eighty percent—into on-the-job training (OJT). A few other SDAs have concentrated on job search assistance, again precluding much classroom vocational training. While it is impossible to obtain either state or national figures on the mix of services provided in different SDAs, it is clear that the SDAs vary widely (see Dickinson et al., 1988, Ch. X).

To provide OJT, an SDA typically subcontracts with a community-based organization (CBO), which then recruits firms to provide on-the-job training over a four- to

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[15] Performance contracting is a local, rather than federal or state, practice, so the contracts vary considerably among SDAs and even among subcontracts within an SDA. The most common performance contract has five benchmarks for payment: different proportions of the total funding per person are paid upon enrollment, upon completion of some mid-point of training, upon completion of the program, upon initial placement, and upon retention in the job after a certain period of time, often thirty or ninety days. Other SDAs make payment contingent on the individual's placement in a job related to training, or above a certain wage rate. The ability of SDAs to tailor performance contracts means that contracts can be written so that any subcontractor can easily earn one hundred percent of funding for virtually all clients; or they can be written so stringently that subcontractors routinely fail to earn a substantial proportion of the maximum possible reimbursement.

twelve-week period. A predominance of OJT can present a barrier to coordination with vocational education because educational institutions are not involved in providing OJT. When an SDA decides to concentrate its resources on OJT, therefore, there is little room for working with local educational institutions, which are typically providers of classroom training.

Whether or not an SDA's decision to concentrate on OJT is rational is open to debate. There is some evidence that on-the-job training can be effective. Under CETA (Comprehensive Employment and Training Act), OJT proved to be somewhat more effective at increasing earnings than classroom training and work experience programs (Barnow, 1986). Under certain conditions, on-the-job training may be most appropriate; for example, when clients have sufficient skills to be nearly job-ready, or when they cannot afford to be unemployed while attending classes. In one rural SDA with a preponderance of OJT, the director maintained that most clients already have job skills and work experience and, therefore, need to refresh their skills rather than attend basic education or vocational training classes. Furthermore, the local labor market is so limited that very few jobs are available in any one occupational area, so clients often can't find jobs in their field after completing vocational training programs. In other SDAs, OJT is successful because administrators have established good working relationships with employers who have carefully structured training components and who permanently hire many of their OJT clients.

Despite the potential benefits of OJT, it is not clear how SDAs choose between it and classroom training. The choice is not always well-informed: most SDA administrators do not really understand that the purpose of OJT should be to provide training rather than short-term subsidized employment (Kogan et al., 1989, Ch. 2). In most communities we visited, OJT was used extensively because of pressures to meet performance standards for the cost per job placement since OJT is relatively quick and inexpensive. (For corroboration of this finding, see Dickinson et al., 1988. This extensive analysis concluded that performance standards led some [but not all] programs to provide low-cost, short training programs, although SDAs committed to developing longer-term programs could still find ways to do so.) Sometimes the use of OJT is part of a "portfolio" decision: some SDA administrators concede that because of limited funding and performance standards, they can offer some relatively expensive vocational training only if they balance it with cheaper OJT for other clients.

In general, the on-the-job training established in many localities is unimpressive. The placements often last only four to six weeks and involve jobs in menial and unskilled positions with limited training possibilities. JTPA administrators distinguished between "responsible" employers, who sincerely try to provide some training and to hire JTPA clients after the OJT, and "irresponsible" employers who lay off JTPA clients immediately after the OJT to hire a new batch of JTPA clients with wage subsidies. In these cases, the incentives for employers to participate in OJT are clear. During the training period, one half the JTPA client's wages are subsidized by JTPA, and the employer also qualifies for Targeted Job Tax Credits for a period of six months. In a few areas (including Fresno and Miami) there are other state subsidies available for employment in areas designated as urban enterprise zones. Therefore, some employers—generally small and medium-sized firms offering relatively low-paid, unskilled work—use OJT as a simple wage subsidy. At worse, virtually no training occurs during an OJT experience, and the placement provides an individual with very limited work experience and almost no prospect of being hired by the firm which provided that experience.[16]

The question of whether OJT is more effective than classroom training is a difficult one, and local educators and JTPA administrators now have no systematic way of answering this question. Many local programs have concluded that JTPA clients need relatively long-term training, and have worked actively with educational institutions to devise longer programs. (Proposed amendments to JTPA, which will eliminate the cost per placement standard as a way to encourage longer-term training, will reinforce this particular tendency.) But other SDAs, more concerned with performance standards, have opted for more OJT and in the process have precluded the possibility of much coordination with vocational education programs.

JTPA Dissatisfaction with Particular Vocational Providers

Some SDAs do not work extensively with vocational institutions because they believe existing vocational programs are not useful for implementing their goals. Occasionally, this occurs because the SDA does not like the quality of training at a local institution, but most of the time this particular barrier is a result of the difference between

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16 For corroboration of our contention that much OJT is of low quality, see Kogan et al. (1989). They judged that about fifty-five percent of OJT placements provided very little direct training, though in some of these cases learning did take place simply through experience on a job. In only twenty-five percent of cases was there evidence that OJT increased access to training over what an individual would have received without JTPA.

the short-term, intensive job training that JTPA prefers and the longer-term programs of postsecondary vocational education. When vocational institutions have established short, intensive programs, this complaint is rare; but when an institution offers only two-year Associate degree programs based on an academic calendar, JTPA is much less likely to send clients to the school. Because technical institutes, area vocational schools, and adult schools are more likely to have short-term programs with flexible entry and exit schedules, JTPA makes greater use of these institutions.

Another common criticism of vocational education concerns its lack of emphasis on job placement (see Kogan et al., 1989, Ch. 2). Some community colleges and technical institutes have increased job placement assistance for JTPA clients to overcome this problem; but in some other SDAs, where the colleges have weak job placement services, JTPA simply relies less on educational institutions.

Local Politics

Finally, local politics can be a major barrier to coordination between vocational education and JTPA. Some SDAs are effectively controlled by the CBOs (community-based organizations) that provide client services for them (see Cook et al., 1986; Arthur Young, 1988). These CBOs often have considerable influence because they represent certain constituencies with organized political power such as blacks, Hispanics, or Asian-Americans; white ethnic or neighborhood groups; women; or the disabled. While these community groups do not substantially influence most local decisions, many were organized advocates and service providers during CETA, and they are especially vocal about poverty and employment issues, including the welfare and job training services. In some cities, local politics have become pathological as these groups have come to treat job training programs as employment centers for their own members. Under such conditions, it is impossible for an SDA to allocate funds based on the needs of clients, the nature of local labor markets, and the quality of service providers in the community.

It can be almost impossible for educational institutions in such communities to collaborate with JTPA since the SDA is under political pressure to direct JTPA resources to CBOs. In one city, the SDA contracts with *service deliverers*, all of which are CBOs. These CBOs conduct recruitment, assessment, and some remedial education and then they subcontract with a number of SDA-approved *service providers* who provide vocational or on-the-job training. Service deliverers are selected through a request-for-proposal (RFP)

process, so that any organization can compete; but in practice, each RFP is for service to a specific area of the city that contains a particular racial or ethnic group. Moreover, there is generally only one applicant for each RFP. The entire arrangement is structured to minimize competition. (Indeed, the appearance last year of a competitor for one of the RFPs caused considerable consternation.) The local SDA administrators believe that this arrangement is inefficient and would like to contract directly with service providers. Attempts to change the contracting system, however, have been thwarted by members of the city and county council who also sit on the PIC.

This contracting system may increase administrative expenses because there are administrative expenses for three separate levels: the SDA, the service deliverer, and the service providers. In addition, service deliverers, rather than SDA staff, make the decisions about which services are appropriate for JTPA clients. Because the CBO/service deliverers operate under performance-based contracts, and cannot afford to lose money by failing to meet performance standards, they contract for relatively large amounts of short-term OJT. The CBOs may also keep JTPA profits to support their other activities, which also encourages cost-saving training methods. Although substantial sums are being spent on administrative costs because of the political power of CBOs, the providers are motivated to provide very short-term services.

Certainly, only a few SDAs are dominated by this kind of pathological interest group politics. When CBOs are poorly organized or local political power is so highly fragmented that interest groups cannot exert much influence on an area-wide PIC, then SDAs can maintain administrative control. But these local politics are more common in urban areas, so much so that many of the exemplars of cooperation nominated by state administrators are located in rural areas. In rural areas, CBOs are much less prevalent and community colleges or other educational institutions are almost the only agencies available to provide education and classroom training.

We are ambivalent about the role of local politics and CBOs in JTPA. On the one hand, many effective CBOs have dedicated and energetic staff that can recruit and train in minority communities where staff from an educational institution would be perceived as outsiders. In some communities it is the educational institutions that hold the political power, and CBOs must muster political support to prevent self-interested politics from directing resources away from the community groups. On the other hand, when interest

group politics run wild and the self-interest of providers prevails over decisions made on behalf of clients, then JTPA ceases to be effective.

Some Conclusions: Coordination in the Interest of Effectiveness

What defines effective coordination? In the local practices just described, several concepts of effective coordination emerge. One form of coordination—probably the most common—arises when JTPA programs attempt to *allocate their resources to the most competent organizations* and then decide that the best provider (particularly of remedial education or vocational training) is an educational institution. But, of course, this decision is not inevitable: when educational institutions are of poor quality, when CBOs or proprietary institutions have excellent reputations, or when community colleges fail to offer the kinds of flexible, short, and intensive programs some SDAs prefer, then collaboration with vocational education may not occur.

A second form of effective coordination arises when organizations develop *an appropriate range of services* for individuals, including recruitment, assessment, counseling, remediation, vocational skills training, work experience, support services such as child care, and job placement assistance. Because few organizations can provide all of these services, coordination is the only way to make them available. But if vocational education is inappropriate—because of the kinds of clients or the demands of the labor market, for example—then this concept might not promote coordination with vocational education.

A third concept of effective coordination focuses on the needs and desires of individuals and the possibility that *different individuals are best served by different kinds of services*. Thus some SDAs place much emphasis on client choice and try to find job training in a preferred environment or occupational area. For example, high school dropouts and students at risk of dropping out may perform better in non-school settings than if they attend high school, or minority clients may receive the most effective training in CBOs.

Looking at effectiveness this way, we would not expect to see vocational education providing all JTPA services. Instead, we would see educational institutions providing those services that they provide best, including classroom-based vocational skills training,

of relatively long duration, and with supporting academic preparation and remedial education where necessary. But educational institutions would not have a monopoly; other organizations, including CBOs and some proprietary vocational schools, would provide other kinds of services and focus on distinct groups of clients. In communities with such coordination, we can identify pressures on both vocational education and JTPA—the pressures of limited resources, the imperatives of performance standards, and the information-sharing and joint planning requirements in the Perkins Act and JTPA legislation—that move programs in this direction.

In general, the current status of coordination between vocational education and JTPA programs conforms roughly to this vision. At the local level, administrators within vocational programs and JTPA are certainly knowledgeable about one another and have forged a variety of working relationships which draw upon each other's comparative strengths, often expanding the resources available to each program. Certainly the fee of wasteful duplication and unbridled competition that has so often motivated regulatory efforts to enhance coordination seem unfounded. While certain barriers to effective collaboration remain, and there are some communities in which the programs are relentlessly hostile to one another, by and large vocational education and JTPA programs have learned to cooperate in ways that are both amicable and productive.

THE ROLE OF STATE GOVERNMENTS: FROM ACTIVE TO PASSIVE

States as well as local administrators play a role in fostering coordination between JTPA and vocational education. States have considerable authority over their educational systems and can establish more powerful state policies under the Job Training Partnership Act (JTPA) than they could under the Comprehensive Employment and Training Act (CETA). Still, many state educational systems are dominated by an ethos of local control and many state job training agencies do not exert much authority over JTPA. In these cases, states may do little more to coordinate JTPA and vocational education than to comply with the requirements of the Perkins Act and JTPA legislation. Generally, states go beyond the federal coordination requirements and influence local coordination in two ways: through the establishment of state-specific institutions and practices that enhance coordination and through their requirements for the use of 8-percent funds.

The Nature of Strong State Policies: The Massachusetts Case

Massachusetts has conducted what is perhaps the most thorough coordination effort nationwide. During the past decade, the state enacted a tremendous number of carefully targeted training programs designed to complement federal programs. To cope with the plethora of programs dispersed through the state bureaucracy, Massachusetts is now consolidating responsibility for many of them under the Department of Employment and Training (DET). This department combines the Division of Employment Security (which administered the Employment Service and unemployment insurance) and the Office of Training and Employment Policy (the state administration for JTPA). The Massachusetts Jobs Council, an expanded version of the State Job Training Coordinating Council required by JTPA, establishes policy for education and training programs. The Commonwealth has also created Regional Employment Boards (REBs) to decide which local agencies should receive funding from the programs managed by the DET.

In theory, the creation of one state-level policy board, one state administrative agency for education and training programs, and one substate decision-making unit in each region will create a unified service system. Because the REBs can award grants to their choice of providers, they can coordinate services by funding the most competent agencies to provide appropriate combinations of services that are sensitive to the needs of different client groups. The funding of numerous providers—each of which will refer clients to other providers within the system when appropriate—creates points of entry into the system for clients with widely varying motivation and contact with social institutions. The concept of "one system, many doors" is integral to the Massachusetts model, and it stands in sharp contrast to the prior model (and the one found in most states) of "many systems, each with one door."

Not surprisingly, this unified system has been controversial: some institutions and state departments have resisted being incorporated into it. Some local administrators believe that state-level turf battles have prevented any coherent policy from emerging (Teitel, 1989). Presently, one state faction envisions incorporating all the state agencies with responsibility for work-related education and job training into the DET, while their opponents favor a partnership among state agencies (with funds still distributed to REBs). As a result, consolidation at the state level is still incomplete and may remain so. Furthermore, certain sources of funding such as state funding for secondary and postsecondary vocational education will not be included.

The implementation of this system has only just begun, with the REBs scheduled to start operating in July of 1989. Therefore, the results of this Massachusetts model, and its success in creating a single system, remain to be seen. For now, the Massachusetts model is important as a vision of aggressive state policy. It cannot eliminate the conflicting priorities and inconsistent administrative structures of federal programs, but it attempts to rationalize this hodgepodge at the state level by consolidating the federal programs along with state-funded programs to cover the gaps left by federal programs. In effect, the structure will move some responsibility for coordination from the local level (where currently local programs must combine funding sources despite the inconsistent demands) to the state level. At the same time, the model maintains a local administrative unit (the REBs) to identify the most needed services and the most capable service providers.

Other State Coordination Requirements

Illinois has also actively fostered coordination beyond the requirements of the Perkins Act and JTPA, although not to the extent planned in Massachusetts. All SDAs in Illinois must have formal coordination agreements with all education agencies in their jurisdiction, the local welfare office, and the office for rehabilitative services. In addition, all SDAs are required to hold quarterly coordination meetings with the service agencies in their areas, including community college districts, the Department of Rehabilitative Services, the Department of Public Aid, the Department of Children and Family Services, the Department of Employment Security (Job Service), and the Department of Aging. Local administrators have mixed reactions to these requirements: some believe that the coordination agreements and meetings are *pro forma* exercises leading to little real coordination, while others believe that they provide the opportunity for coordination to take place and are effective when coordination is needed. At the very least, such state requirements increase the amount of information each program has about the others, much like the requirements in the Perkins Act and JTPA legislation.

A similar approach in the state of Washington assigns agencies to one of three levels of coordination: Level 1 coordination (containing the most stringent requirements) requires signed agreements between all SDAs and certain specified public agencies in the area; Level 2 coordination requires documentation of ways SDAs will consult with other agencies; and Level 3 coordination requires sharing information about programs and

services. Although education agencies are among those assigned to Level 1 coordination requirements, this system can have little effect on the development of cooperative programs because these requirements are aimed only at increasing communication and referrals among agencies.

Other states have created substate units to convene the different institutions in the education and training system; for example, Michigan has Designated Education Planning Entities, Florida has Regional Coordinating Councils, Illinois has Regional Vocational Delivery Systems (primarily to coordinate secondary vocational education but extending to JTPA as well), and Massachusetts has six regional education centers (in addition to the REBs). Unlike the REBs in Massachusetts, these regional entities serve advisory functions; they have no administrative authority or control over resource allocations.

People in these states have mixed reactions to their coordinating entities. Some administrators believe that they are completely ineffective, and others think they are useful for convening administrators from different programs. Like the coordination mechanisms required in the Perkins Act and JTPA legislation, they create conditions which encourage coordination, but they cannot force coordination if local programs are resistant or if there are other conditions preventing it.

Another common practice is to fund statewide coordination activities, usually through 8-percent funds. For example, Georgia supports four regional coordinators who help PICs and educational institutions apply for funds, and also has a JTPA coordinator in the state agency that governs the technical institutes. The six regional education centers in Massachusetts serve a similar function.

State Priorities for 8-Percent Funds

Unlike most federal legislation, which imposes various coordination requirements on state and local governments without providing additional resources, JTPA provides coordination funding through the so-called 8-percent education coordination set-aside. The federal legislation specifies that these funds should be used "to provide services for eligible participants through cooperative agreements" and "to facilitate coordination of education and training services." Even in states without aggressive state JTPA policies, the 8-percent funds provide an opportunity to enhance coordination. However, the federal definitions of

"cooperative agreements" and "coordination" are vague (Bailis, 1988). As a result, states' interpretations of these concepts have resulted in extremely different uses of the 8-percent set-aside. While the 8-percent funds support a variety of innovative programs and many collaborative efforts between vocational programs and JTPA, they are not consistently used for coordination with public education programs.

States vary considerably in their methods and priorities for distributing the 8-percent funds. State policy on 8-percent funds can exhibit any degree of local autonomy or state control. States can allocate funds by formula to local programs and let local priorities prevail; they can allocate funds to state education boards and allow them to establish priorities; they can exert control with an RFP process that establishes clear purposes and requirements (including requirements that programs be jointly sponsored by an educational institution and an SDA); or they can establish statewide programs to meet state goals. While a complete census of how states distribute 8-percent funds is beyond the scope of this study,[17] the policies of our six case-study states illustrate the range of practices.

Georgia allocates eighty percent of its funds through an RFP process. Local educational authorities may compete, but only those projects approved by the local PIC are funded. The State Department of Education recommends that PICs use 8-percent funds for remedial education, GED programs, and support services for JTPA participants in technical institutes—and approximately sixty percent of the 8-percent funds go to technical institutes. Local priorities govern the use of these funds. The remaining twenty percent support statewide coordination efforts and technical assistance to local 8-percent programs.

Illinois allocates seventy-five percent of its funds to the State Board of Education. This board provides 8-percent funded contracts to a variety of service providers, including public school districts, Education for Employment regional delivery systems, community colleges, area vocational centers, education service regions, special education districts, CBOs, universities, and SDAs. The other twenty-five percent is allocated to the Community College Board, which has four programs operating at community colleges. In contrast to Georgia, the Illinois system imposes some state priorities on local efforts because applications for 8-percent funds must come from programs operated by State Board of Education or Community College Board institutions.

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[17] As part of a study of vocational education and job training policies in fifty states, the National Center for Research in Vocational Education will be conducting such a survey in 1990.

Massachusetts supports three state programs with its 8-percent funds: the Young Parents Initiative, which provides vocational training, parenting and survival skills, academic instruction, and support services to young parents; the Commonwealth Futures programs, developed by teams from several different community agencies that receive many different grants to help at-risk youth, especially high school dropouts; and Workplace Education, which receives 8-percent funds and state funds from the Department of Labor and Education to provide adult basic education, GED programs, and English as a Second Language (ESL) training through clients' employers. These programs are often operated in conjunction with vocational schools or community colleges. In addition, the state funds four regional centers to provide technical assistance to local programs that are developing proposals. Massachusetts imposes even stronger state priorities on the 8-percent funds than Illinois. Because Massachusetts combines 8-percent funds with other state, local, and foundation resources, the 8-percent funds support state priorities but lose their specific identity as JTPA-education coordination grants.

Minnesota retains twenty percent of its 8-percent allocation for state administration and technical assistance; sixty percent is allocated by formula to SDAs for welfare recipients; and the remaining twenty percent is allocated by RFP for statewide projects. Often, 8-percent funds are used for longer-term training than JTPA usually provides, much of which is in the state's technical institutes.

Tennessee allocates one half of its 8-percent funds to the State Department of Education, Division of Adult and Community Education for statewide literacy programs, which are sorely needed, but which are generally not integrated with other JTPA services. The remaining one half is allocated to the Board of Regents, which distributes these resources to SDAs to provide classroom vocational training. JTPA clients enrolled in postsecondary programs through the 8-percent programs are usually co-enrolled in Title II-A programs for support services, counseling, and job placement.

The state of Washington retains twenty percent of the 8-percent funds for administrative purposes, technical assistance, and coordination. The remaining eighty percent is allocated in three ways: thirty percent is allocated by formula to SDAs; forty percent is allocated through an RFP process to a wide variety of service providers, including educational institutions; and thirty percent is used for statewide projects that generate employment and prevent high school students from dropping out. While the State Job Training Coordinating Council has recommended that 8-percent programs emphasize

basic educational skills and workplace literacy, there are few restrictions on these funds. For example, SDAs are not required to use their 8-percent funds in collaboration with educational institutions, even though educational institutions are well-represented among the programs receiving 8-percent grants.

These reviews of state policy make it clear that 8-percent funds are used for a wide variety of purposes, not all related to enhancing coordination between education and JTPA. The most common purposes appear to be (1) funding innovative collaboration; (2) funding experimental approaches and programs for hard-to-serve populations; (3) funding welfare-to-work programs; (4) supporting economic development activities; (5) hiding administrative expenditures and meeting performance standards; and (6) providing a piece of the pie to educational institutions.

(1) *Funding innovative collaboration*

Many innovative collaborative programs that exist in SDAs are funded with 8-percent funds. Because conventional performance standards are not applied to 8-percent grants, these funds are particularly important when educational institutions are reluctant to accept performance-based contracts. Such resources help SDAs support JTPA clients in higher-cost long-term training programs at technical institutes and community colleges because the funds are not subject to the cost per entered employment standard. In addition, the funding mechanisms some states use foster collaboration; for example, when a state educational agency administers 8-percent funds but requires a joint proposal from an educational institution and an SDA.

However, the 8-percent funds are not always effective at establishing new innovations. In many cases, 8-percent grants are limited to one year, and therefore innovative programs have to cease operation when the grant ends. Most 8-percent projects combine JTPA and vocational education funds to serve more clients or provide more services, but they rarely have the development of a long-term working relationship between the institutions as their goal. The only exception we saw is the Refugee Women's Special Services Project in St. Paul, which is operated with 8-percent funding by the St. Paul Technical Institute, the school district, and two non-profit agencies. The agencies purposefully developed curricula together as a way of improving their ability to collaborate over the long run. Still, we saw no state making a concerted effort to identify exemplary 8-

percent coordination projects and use them as models for other SDAs.[18] Therefore, there is no way for others to benefit from any program design information generated by the one-year "demonstration" or "seed" projects started with 8-percent funds.

(2) *Funding experimental approaches and hard-to-serve populations*

Because 8-percent funds are not subject to the usual performance standards, they are frequently used for experimental programs and programs for hard-to-serve populations such as youth and prison inmates. Since this allows SDAs to provide intensive services to those who need the most help, it is a possible antidote to the pressures within JTPA to "cream," that is, to enroll the most job-ready individuals.

(3) *Funding welfare-to-work programs*

Many states have set aside a proportion of their 8-percent funds to support training for welfare recipients. While this is clearly within both the letter and the spirit of the legislation, it is also a way for states to avoid having to generate new state funds for the welfare-to-work programs required by the Family Support Act. If states use federal funds such as JTPA resources rather than state revenues to provide employment training to welfare recipients, then the allocation of training funds becomes a zero-sum game. That is, welfare recipients gain access to training, but those individuals not on AFDC who need training—men and women without children and underemployed parents in states with restrictive AFDC eligibility limits—will lose access.

(4) *Supporting economic development activities*

In some states, a proportion of 8-percent funds are used to further economic development efforts. During the first years of JTPA, economic development activities were a popular use of 8-percent funds, and many states included economic development among their priorities for those funds. One popular economic development activity occurs when on-the-job training is offered as wage subsidies to new companies to lure employers into the state or SDA. The most extreme case of this practice that we have seen occurred in Kentucky, where a majority of 8-percent funds were used one year to support training at a new Toyota plant

[18] However, California publishes a list of exemplary 8-percent programs and arranges for SDA and vocational education administrators to visit them.

(*Innovation Versus Turf*, p. 66). This practice seems to have declined, however; for example, several programs that were funded by the State Board of Education and the Community College Board in Illinois used 8-percent funds to lure new companies to the state, though this practice has since been discontinued. Whether such programs provide any real training that benefits the JTPA clients enrolled, or whether they merely benefit employers by lowering their employment costs, is an open question. Most economic development efforts focus on employer needs rather than on the needs of trainees. Such programs present themselves to the business community by asserting that they are not "social service agencies," meaning that alleviating unemployment and underemployment among the poor is not their responsibility (Grubb & Stern, 1989). Just as there are problems with the quality of on-the-job training generally, training within economic development programs funded by JTPA may fail to offer clients an opportunity to develop new job skills.

(5) *Hiding administrative expenditures and meeting performance standards*

SDAs are limited to spending fifteen percent of their funds on administration. Many local programs claim that this amount is insufficient and have devised mechanisms to evade the limit. The most common is performance-based contracting, in which SDAs delegate administrative duties to subcontractors who receive compensation for administration as part of these contracts (Butler, 1989). SDAs can also increase their administrative budgets by using 8-percent funds to supplement regular Title II-A programs. When the SDA calculates its administrative expenditures, it has to count only administrative expenditures from Title II-A revenues, not those from 8-percent funds.

Similarly, 8-percent funds can help an SDA meet performance standards, specifically the cost per entered employment, because the expenditures from 8-percent revenues do not have to be included in these calculations. When SDAs enroll clients in both an 8-percent program and a Title II-A, they can offer more expensive or more intensive training, particularly for hard-to-serve individuals such as high school dropouts, and still perform well on this Title II-A performance standard.

(6) *Providing a piece of the pie to educational institutions*

One view of the JTPA 8-percent set-aside is that it was intended to buy the support of the educational community. This view lives on in states where JTPA administrators treat the 8-percent funds as the prerogative of educators. These states may pay little attention to whether or not the 8-percent funding is used to improve programs or foster coordination because they think it meets its purpose of creating political peace. This attitude lies behind some states' policy of turning the 8-percent money over to state educational agencies to administer, without any restrictions or state-level agreements to ensure that the funds are used to encourage JTPA and education programs to collaborate; this approach in effect treats 8-percent funds like unrestricted general revenue to educational institutions. Educators encourage this view of 8-percent funds when they complain that they are not being given their "fair share" of JTPA or are being denied access to JTPA revenues.

This mishmash of purposes in 8-percent set-aside policies supports the accusation that 8-percent funds are sometimes treated as grants that states and local programs can use as they see fit, unconstrained by performance standards or the other requirements of JTPA (see U.S. Department of Labor-JTPA Advisory Committee, 1989). While there is a role for unconstrained funding in supporting innovative programs, it is clear that the 8-percent program supports objectives besides coordination between education and JTPA.

Other State Policies That Enhance Coordination

Certain state policies and practices that are not directed at JTPA and vocational education coordination still enhance the relationship. Those states that have public technical institutes or vocationally oriented community colleges (in contrast to transfer-oriented community colleges) are likely to find their local SDAs working with these institutions. Similarly, state-supported area vocational schools with large adult populations naturally offer the vocational training programs used most often by JTPA—open-entry/open-exit, relatively short, and intensive courses.

State funding policies can have powerful influences on coordination. In states where community college funding is strictly a function of enrollment, for example, community colleges receive additional revenue for every additional JTPA client they

enroll—providing a fiscal inducement to cooperate with JTPA. Where this incentive is limited—as it is, for example, in states like Florida where state revenues adjust to enrollments only with a lag, or in California where the state has limited or "capped" the enrollments that qualify for state funding—these incentives disappear. Quite inadvertently, therefore, the state funding mechanisms for community colleges, technical institutes, and area vocational schools can either enhance or hinder cooperation.

Another state practice that indirectly fosters collaboration is the funding of support services such as counseling, remediation, and placement in postsecondary schools. North Carolina's Participant Service Centers and Human Resource Development programs in community colleges are an excellent example. These projects provide support services that make it much easier for the colleges to serve JTPA clients (*Innovation Versus Turf*, pp. 103-115). Elsewhere, as community colleges, technical institutes, and adult schools provide more support services as a matter of state policy, institutions are becoming more compatible with JTPA. Thus, states can enhance coordination between JTPA and vocational education by supporting flexible programs and good support services within the vocational education system.

Summary: Using State Policy to Enhance Coordination

There are, then, many steps states can take to enhance coordination, quite apart from those required by federal regulations. One is to enunciate an overall state vision of vocational education and job training, and then—in keeping with the greater state power that JTPA gives states compared to its predecessor CETA—to bend both its vocational education system and its JTPA programs to that vision. Another is to clarify that 8-percent funds should further the goal of improving the institutional capacities of vocational programs and JTPA agencies to work with one another, rather than serving other state goals that, no matter how laudatory, have nothing whatsoever to do with coordination. A third is to review state funding and regulatory mechanisms to see what they do to enhance or retard coordination. There are others, including imposing new requirements for joint planning and regional coordination councils, that have been largely unproductive. But all these specific mechanisms are subordinate to the most general requirement. While states have the power, under the Perkins Act and JTPA legislation (as well as the new Family Support Act) to craft state policy in coherent ways, those states which continue to view job training programs as creations and prerogatives of the federal government—rather than

programs which inevitably become state-federal programs both through federal intention and funding patterns—will fail to take advantage of the policy opportunities which exist.

THE EMERGING ROLE OF WELFARE-TO-WORK PROGRAMS IN THE EDUCATION AND TRAINING SYSTEM

The idea of providing education and job training so that welfare recipients might become self-supporting dates back to the 1960s. The 1962 Amendments to the Social Security Act established the Community Work and Training Program, a small training program for welfare recipients. The Economic Opportunity Act of 1964 included the Work Experience and Training Program, yet another program designed to encourage welfare recipients to work. In 1967, as part of amendments to the Social Security Act establishing a "services strategy," the Work Incentive Program (WIN) was created as a voluntary work program for welfare recipients. Although WIN was made mandatory in 1971, it was not funded at a level that made it possible to enroll all mandatory participants, so it remained a limited and voluntary program.

The next developments in welfare-to-work programs came during the Reagan years, despite the fact that this administration was relentlessly hostile toward programs for the poor. Under a series of waivers from the Department of Health and Human Services, a number of states established welfare-to-work programs that included education and vocational training (General Accounting Office [GAO], 1987). Not surprisingly, the state programs that developed varied enormously. Most of these programs relied heavily on job search training—short-term assistance in applying for work that does not include any other education or vocational training—and work experience or on-the-job training (OJT). A few states and counties developed Community Work Experience Programs (CWEP), in which welfare recipients work at community service jobs, with the amount of work required related to the size of the welfare grant (the traditional conception of "workfare"). Only a very few states implemented grant diversion, in which Aid for Families with Dependent Children (AFDC) grants are "diverted" to subsidize wages at private firms who hire AFDC recipients. Although eighty-four percent of these programs offered vocational skills training and seventy-two percent offered postsecondary education, very few clients received these services. Only 3.2% of the participants received any remedial education, 2.3% received job skills training, and 1.6% were enrolled in postsecondary education

(most in just three states—Massachusetts, Michigan, and California).[19] Still, formal evaluations of several experimental welfare-to-work programs indicate that they generate some benefits for welfare recipients and that their total benefits outweigh their costs (Gueron, 1987).

The Family Support Act of 1988 is the most recent development in this short history. The act establishes the Job Opportunities and Basic Skills (JOBS) program, which requires states to establish welfare-to-work programs and to compel some groups of welfare recipients to participate. The services that are eligible for partial federal support include a wide range of work-related preparation, including remedial or basic education, vocational training, postsecondary education, job search, support services, community work experience, on-the-job training, and private-sector work experience. In theory, the act creates a mechanism to fund comprehensive services designed to compel welfare recipients to work—in effect, the approach envisioned by the "services strategy" of the 1960s that was never implemented. In addition, JOBS includes requirements for participation, though the precise balance of mandatory and voluntary participation is not yet clear.

The JOBS program requires certain kinds of coordination with other education and job training programs. The Family Support Act (Section 483) requires the following four kinds of coordination activities:

(1) "The Governor of each State shall assure that program activities under this part are coordinated with programs operated under the Job Training Partnership Act and with any other relevant employment, training, and education programs available in that State."

(2) The state plan required for each state's JOBS program must be submitted to the State Job Training Coordinating Council for review and comment, and these comments must then be transmitted to the governor.

(3) The state agency administering the JOBS program—normally, the state welfare agency—must "consult with the State education agency and the agency responsible for administering job training programs in the State in order to promote

[19] For corroboration of the relatively low levels of education being provided in welfare-to-work programs as of 1988, see Figueroa and Silvanik (1989).

coordination of the planning and delivery of services under the program with programs operated under the Job Training Partnership Act and with education programs available in the State (including any program under the Adult Education Act or the Carl D. Perkins Vocational Education Act)."

(4) The Secretary of Health and Human Services must consult with the Secretaries of Education and Labor to coordinate welfare programs with education and training programs.

These coordination requirements are similar to those in the Perkins Act and JTPA legislation: they require the state and federal agencies responsible for welfare, education, and job training to share information and consult, and they require assurances from governors that coordination is occurring. They do not establish any particular coordination mechanisms; nor do they give any administrator or agency, except the governor in each state, authority to require or impose coordination. The act relies on the dissemination of information and on consultation to achieve its coordination goals.

An obvious question is whether the welfare-to-work programs developed so far have been coordinated with JTPA and educational services. The issues of coordination for welfare programs are quite similar to those confronting vocational education and JTPA. The same fears about duplication exist, although even a cursory examination of welfare-to-work programs suggests that they are subcontracting their education and training components, rather than establishing parallel (or duplicative) programs. Thus, the primary issue for welfare programs will not be duplication, but rather effectiveness: Can collaboration with education and JTPA programs improve the results of welfare-to-work programs?

It is too early to assess the education and training components of JOBS programs. Because the Family Support Act does not require state JOBS programs to be operating until October 1990, most states are still planning their programs. Some states have already implemented welfare-to-work programs, but even these have been implemented relatively recently. As a result, our findings about job training and education in welfare-to-work programs must be considered tentative, even though several patterns of coordination have already emerged.

State Policies and Local Practices

Because the implementation of JOBS and other state welfare-to-work programs is primarily directed by local welfare offices, coordination is most appropriately examined at the local level. Although the practices that affect the lives of welfare recipients are determined locally, states can and have established policies that facilitate coordination.

In the program most commonly called "welfare," Aid to Families with Dependent Children or AFDC, state decisions have always been crucial. Although the federal government provides matching funds and establishes regulations about the use of AFDC funds for income maintenance programs, states establish eligibility criteria, payment levels, and administrative mechanisms. As a result, there are substantial differences among state AFDC programs, most notably in the proportion of poor people receiving AFDC benefits and in benefit levels. In some states, county administrative units have considerable control over the design of local welfare, which further increases the differences among welfare programs.

State initiatives to create welfare-to-work programs and initial state plans for JOBS programs exhibit as much variation as the design of AFDC income support programs. In some states, there is considerable variation among counties as well. The seven states we examined during the past year (including California, where we conducted local case studies) have adopted the following practices.

California's GAIN (Greater Avenues for Independence) program, enacted in the fall of 1985, gives counties considerable discretion over the design of their welfare-to-work programs, so there are substantial differences among services within the state. However, the state has a general sequence of services that all counties must follow. First, GAIN participants go through an appraisal; those who are deficient in basic skills, or whose command of English is limited, enroll in remedial education or English as a Second Language (ESL). Next, all clients spend three weeks in job search programs. Those who fail to find jobs through job search complete a thorough vocational assessment and develop an employment plan, with the help of a case worker, that may include further education or training, remediation, or some other service. (Because of this order, the most job-ready individuals, who are most likely to find employment during job search, are less likely to receive any education or job training.) When GAIN clients are referred to state-funded schools such as adult schools, community colleges, and area vocational schools, their

education is paid through state ADA funding, rather than through GAIN.[20] In addition, one half of the state's JTPA 8-percent funds are allocated for GAIN clients, primarily for remedial education and assessment.

Because of county discretion, there is enormous variation in how various GAIN programs operate. In some counties (such as Contra Costa), local welfare offices operate their own assessment, remediation, and job search programs, but they then refer welfare clients to the SDA, community colleges, adult schools, or area vocational schools for vocational education and job training. In other counties, the welfare offices contract extensively with local SDAs. For example, the Mother Lode Job Training Agency in Sonora conducts assessments and job clubs[21], job search, and work experience programs for welfare offices in four counties. The GAIN clients are often enrolled in programs with JTPA clients. Only a few clients are referred to community colleges and Regional Occupational Programs. Similarly, the welfare office in Shasta County contracts with the PIC (Private Industry Council) to operate almost all GAIN activities, including job club and job search, on-the-job training (in the SDA's existing OJT system), and vocational training. Vocational training occurs in CBOs, the high school, Regional Occupational Programs, or the community college. The SDA, not the county welfare department, is responsible for deciding which GAIN clients receive specific kinds of training. In San Francisco, the community college provides most remedial education for GAIN clients. In the beginning, the college also conducted assessments, but the county was dissatisfied with the results and now conducts the assessments itself. Job clubs are operated by the local office of the state Employment Development Department. Clients eligible for vocational training are referred to the SDA. The Department of Social Services in Napa County is an example of heavy reliance on the JTPA: Napa contracts with the local SDA for all of its case management and program administration (Riccio et al., 1989).

Although the dominant pattern in California counties is to makes considerable use of JTPA, community colleges have also become extensively involved in GAIN (for corroboration of the extensive use of other education and job training programs in GAIN, see Riccio et al., 1989, Ch. 3). More than eighty percent of colleges expect to have some

[20] Community colleges are limited or "capped" in the enrollments that can qualify for state funding; however, the cap is waived for AFDC clients, providing an effective stimulus for including AFDC clients in community colleges.

[21] Job clubs generally involve groups of welfare recipients working together to develop resumes, answer want ads, telephone prospective employers, and in other ways apply for possible jobs. Aside from the

kind of GAIN program by 1989. More than one half have already provided vocational education and ESL for GAIN clients. About forty percent have provided short-term training and over thirty percent have provided support services such as counseling, assessment, and child care (Chancellor's Office, 1988). Still, the role of the vocational education programs in GAIN has been less than anticipated because an unexpectedly high proportion of GAIN participants have needed remedial education, and GAIN clients must finish their remedial education and ESL programs before entering any kind of vocational education or training.[22]

Georgia began its PEACH (Positive Employment and Community Help) in 1986, and PEACH will be Georgia's JOBS program. Because of slow program implementation and the lack of data on PEACH clients, it is impossible to determine what kinds of services PEACH clients are receiving. However, the state believes that most clients are enrolled in remedial education, primarily at the technical institutes' programs that receive federal Adult Basic Education funds. Georgia designated JTPA as the first source for occupational skill training. Local welfare offices must refer training clients to the SDA, which enrolls them in the appropriate training program. To facilitate this, the state Department of Human Resources created local coordinating councils (LCCs), established by PICs with the same geographical boundaries as SDAs, to advise state and local welfare officials about the available training programs. Although their membership could differ, most LCCs are subcommittees of PICs.

The most important decision made by the state is to use JOBS funds only for support services rather than for education and training. The state plans to rely on JTPA, the federal Adult Basic Education program, and the Employment Service for education and training. Through referrals, the Georgia JOBS program will give some welfare clients improved access to the existing education and training system, but it will not increase the resources available.

Illinois' Project Chance is a state-controlled rather than a locally operated program. Most of its clients are in job search programs, although about 18,000 out of 150,000

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ancillary learning that accompanies such activities, there is no effort to remedy education or skill deficiencies.

[22] The Manpower Demonstration Research Corporation (MDRC) analysis of GAIN estimated that only one percent of GAIN registrants had participated in education or training (see Riccio et al., 1989, Fig. 2). Apart from the slow implementation of GAIN and the great need for remediation, a large number of GAIN registrants are "deregistered," "deferred," and otherwise lost in the system.

individuals (including 80,000 AFDC clients and 70,000 General Assistance clients) were attending some kind of education or training program. Much of this training was provided by community colleges, which can apply to the State Board of Education for special funds to operate programs for welfare clients. The colleges also receive regular state ADA funds for their Project Chance students. Because state resources cover the costs of training, Project Chance pays only for supportive services such as child care, transportation, and books.

Massachusetts' ET Choices is one of the earliest and most comprehensive welfare-to-work programs instituted before JOBS. This program plans and delivers services through the JTPA system, and ET Choices clients are usually enrolled in JTPA as well. All ET Choices skills training and adult education funds are contracted to the Department of Employment and Training, so that funding from ET Choices and from JTPA to SDAs can be combined. In addition, the Bay State Skills Corporation (BSSC) receives a grant specifically for welfare recipients. Participants may enroll in degree or certificate programs in community colleges if they can secure their own funding (through Pell grants, for example) for tuition and other education expenses, and ET Choices provides support services for these students. Otherwise, clients needing occupational training are directed to JTPA or BSSC. As of April 1989, twenty percent of ET Choices clients were enrolled in JTPA for skills training, sixteen percent were in community colleges, and ten percent were in BSSC programs. In addition, approximately one half of all clients were enrolled in basic education programs.

Because ET Choices has been in operation for a relatively long time and because of the state-level consolidation of work-related education and training programs, Massachusetts offers some examples of conflicts among welfare programs, JTPA, and vocational education. Community colleges have participated extensively in ET Choices as providers of basic education and vocational training, largely through direct referrals from welfare offices (which occurred prior to 1989) and through self-initiated placements. However, as ET Choices becomes increasingly reliant on JTPA and as Regional Employment Boards (REBs) exert greater control, training in community colleges will probably decrease in favor of the type of shorter-term training programs sought by JTPA. In addition, the welfare system has been dissatisfied with community college counseling and support services, which appear inadequate to cope with high dropout rates. Community colleges have changed their practices as the administration of ET Choices has

moved from the Department of Public Welfare to the local SDAs. The new administration is pressuring colleges to develop shorter-term training programs with greater emphasis on placement. Under the new administration, colleges are finding it difficult to continue programs that prepare welfare recipients to enter degree or certificate programs.

Minnesota's Project STRIDE (Success Through Reaching Individual Development and Employment) is an interagency effort: the state's Department of Human Resources contracts the job training portion to the Department of Jobs and Training, the administrative entity for JTPA. The state has dedicated sixty percent of its 8-percent set-aside funds to serve to welfare recipients. Some local areas have funded quite innovative projects by combining the resources of JTPA and technical institutes in programs for AFDC clients.

Each county has administrative responsibility for STRIDE. In some areas, county welfare offices have contracted with SDAs to provide all job training services; these SDAs may provide services for the welfare clients or subcontract with their usual network of training programs. In other areas, county welfare offices have retained more control over referrals, rather than delegating this function to the SDA. While there is no statewide data to indicate which agencies are serving STRIDE clients, it is clear that STRIDE uses state technical institutes extensively, partly because the SDAs already used them for JTPA. In many cases, STRIDE orientation sessions are held at technical institutes so that eligible welfare recipients can become familiar with institute programs.

Local welfare offices know that classroom training is relatively expensive, therefore, they have not made classroom training a STRIDE program priority. For example, the Rural Minnesota CEP (Concentrated Employment Program), which administers JTPA in nineteen rural counties, uses its STRIDE funds for job search, career planning, and employability skills training. Clients in need of classroom training are enrolled in JTPA, which supports them through programs in technical institutes. Through this system, STRIDE secures some vocational training for its clients using state subsidies to the technical institutes and JTPA funds.

Tennessee began its welfare-to-work program, VICTORY, as a WIN program. A one-time carry-over of JTPA funds supported the program in 1988-89 (and into 1990 in some counties) after severe cuts in the welfare budget left the program without other funds. To receive the special JTPA funding, each PIC had to develop a plan in cooperation with its local welfare offices. Some PICs placed JTPA staff in welfare offices, while others have

AFDC clients referred to their offices for assessment, counseling, and enrollment in JTPA. The partnerships between welfare offices and SDAs has created a relationship between the two agencies that, in most areas, did not previously exist. The partnerships and programs created for the JTPA-funded training will undoubtedly carry over into the JOBS program when it is implemented.

The state of Washington began the Family Independence Program (FIP) as a pilot project in July 1988 and will now expand statewide under JOBS. FIP is a joint project of the Department of Social and Health Services, the state's welfare agency, and the Employment Services Department, which operates JTPA. Regional policy boards, which include administrators from both agencies, conduct the planning for regions. At the local level, FIP coordinators and job counselors from the Employment Services Department have co-located in welfare offices, facilitating the coordination of FIP with JTPA. However, each local office can refer clients to both JTPA and vocational education for training. Because FIP is new, data on the services received by FIP clients is incomplete. It appears that FIP relies heavily on JTPA and vocational education to pay for most education and training. Of all FIP clients in training as of February 1990, about sixty percent were in community colleges, and another fifteen percent were in vocational/technical schools; a relatively few (about six percent) were in universities. For these students, FIP provides counseling, case management, and support services.

The portrait of welfare-to-work programs that emerges from these case studies is one of diversity. But it is clear that when existing welfare-to-work programs refer their clients to vocational education and job training, they make extensive use of both JTPA and vocational education, particularly in shorter-term programs and technical institutes.[23] In many cases, the entire education and training component has been subcontracted to an SDA, and many states have dedicated large portions of JTPA 8-percent funds specifically to their welfare training initiatives. We saw no examples of welfare programs establishing their own vocational education or training programs, indicating that no duplication of such services has been caused by the development of welfare-to-work programs.

[23] For corroboration of the extensive links among welfare-to-work programs, JTPA, and vocational education, see Figueroa and Silvanik (1989), especially Table 3.

Incentives and Barriers to Coordination with Education and JTPA

Much of the coordination within welfare-to-work programs parallels developments in coordination between vocational education and JTPA. The most important incentive for coordination is the lack of resources. This has driven local welfare-to-work programs to find ways to use JTPA and educational institutions to increase the resources available for training goals. Often, this results in welfare-to-work programs paying for supportive services and counseling, while federal subsidies through JTPA (including large amounts of 8-percent funds) and state revenues through community colleges and technical institutes fund both remedial education and vocational training. This creates a division of responsibilities, like that seen when JTPA funds supportive services for students in vocational education.

Despite the extensive collaboration at the local level, barriers still exist. The most important barrier may be a short-term problem: almost every local program complained that initially developing collaborative arrangements was difficult. For example, the administrative problems of meshing service areas with different boundaries, of coordinating programs with different fiscal years, of getting data from one computer system to another, and of developing information for different reporting systems were mentioned frequently, and with some exasperation. In some states like Illinois and Florida, the disjuncture between JTPA and educational institutions, which have considerable local authority, and welfare programs, which must get state approval of their plans, further delayed collaboration. However, these kinds of administrative problems seemed to have been resolved in one or two years.

As we have found in the case of vocational education and JTPA, ignorance of other programs does not appear to be a barrier to coordination. In general, program administrators in the education and training system—including the emerging welfare-to-work programs—know one another and are well aware of each others' services; most welfare-to-work programs have worked hard to include all local education and training programs in their planning processes, for example, thereby increasing flows of information. Where welfare offices do not work through existing education and training programs, the barriers are complex structural and funding problems, rather than the simple issues of information that can be resolved through the usual coordination requirements.

Welfare-to-work programs face another barrier to coordination, which we have already identified as a problem for vocational education and JTPA coordination—the types of services provided through welfare programs are not the natural domain of educational agencies. Most welfare-to-work programs focus their resources on job clubs and job search assistance and fund very little job training or vocational education because of its duration and cost. In addition to the job placement activities, welfare programs must conduct assessments and pay for support services, but these services are more often provided by welfare offices than subcontractors because of the need for constant judgements about which services are most appropriate.[24] The potential for vocational education's involvement in welfare training programs is further limited because so many AFDC recipients require considerable remedial or basic education before they can enter vocational programs or the labor market.[25]

Although the welfare programs have limited resources to purchase education or training services, they can refer some of their clients to either JTPA or educational institutions to enroll as would any other student. The success of referral programs depends on the willingness of JTPA and schools to accept welfare clients and address their special needs (e.g., child care and crisis intervention counseling) and the welfare program's policies about education. For example, welfare programs can encourage postsecondary education and training by paying for support services and excusing the client from job search activities while he or she pursues a degree or certificate. Most welfare programs limit the amount of postsecondary education a client can complete while receiving public assistance and support services to attend school. Because this barrier is created by funding limitations and the priorities of welfare-to-work programs, it is likely to persist.

These problems have been partially overcome in states like California that allow welfare-to-work programs access to state revenues that support community colleges, adult schools, and area vocational schools. If these funds are adequate, community colleges, area vocational schools, and adult schools are willing to enroll welfare recipients, and local welfare offices don't face a fiscal disincentive to send their clients to education programs.

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[24] However, there are examples of every component of welfare-to-work programs being contracted to some other agency, even the initial assessment.

[25] In most welfare-to-work programs, as in JTPA, a typical practice is to provide remediation before vocational training. Because of high dropout rates during remediation, many individuals never receive any vocational training. In addition, there is some evidence that combining remediation with skill training is more effective than a sequential approach; see, for example, Sticht, Armstrong, Hickey, and Caylor (1987). For a discussion of sequencing within JTPA, see Kogan et al. (1989).

On the other hand, California has implicitly decided to increase state expenditures on welfare recipients through the education system, rather than through the welfare system. Such an approach could be short-sighted because if state revenues are directed through the welfare system, they are eligible for federal matching funds from JOBS: state revenues directed through the educational system are not.

Some potential barriers to coordination are not as serious as might be expected. As mentioned previously, a lack of familiarity with each others' services has not been a major problem, although JTPA administrators and educators must familiarize themselves with the procedures and requirements of the AFDC system. In fact, because JTPA programs have always served welfare recipients, many are familiar with AFDC even if they have never before collaborated with welfare. Nor do the educational backgrounds of the AFDC clients appear to present a problem for coordination. Although AFDC clients are, on average, less well-prepared in basic reading, communication skills, and simple math than vocational education students or JTPA clients, both JTPA and education programs seem willing to develop classes and services geared to the needs of AFDC clients.

The lack of motivation among some AFDC recipients—especially mandatory welfare-to-work participants—presents more serious problems, especially for postsecondary vocational programs with demanding curricula. So far, welfare-to-work programs have minimized this problem by enrolling primarily volunteers, by providing counseling, by placing unmotivated clients in programs other than education and training, and by allowing recalcitrant welfare-to-work enrollees to remain in limbo, unassigned to any program activity, rather than forcing them to participate in training programs where they might be troublesome.[26]

In summary, the introduction of welfare-to-work programs into the education and training "system" seems to be working well, except for an initial period when agencies work out administrative agreements. A great deal of cooperation exists, and welfare programs have made extensive use of existing institutions, especially JTPA. To be sure, a

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[26] In some local areas, the numbers of AFDC participants who are officially enrolled in a welfare-to-work program, but not participating in some particular activity, are quite high. In one SDA in California, for example, about twenty-three percent were "deferred" and thirty-one percent were "unassigned." Some of these individuals were waiting for openings in training programs, but the majority appeared to be individuals who had seen a counselor after initial appraisal and were thinking about their options—and who, in practice, were forgotten by the system for long periods of time.

number of troubling issues are emerging. But these emerging issues stem from the basic nature of welfare-to-work programs, not from coordination problems.

Emerging Issues

Even at this early date, some fundamental problems in welfare-to-work programs have surfaced that affect their potential effectiveness. As states develop their Family Support Act programs, these problems are likely to become institutionalized unless both state and federal policymakers act to solve them. Unfortunately, most of these issues concern long-standing problems within the AFDC system, so their resolution will be difficult.

Inequities Among States

Differences among states in eligibility levels and welfare benefits are among the oldest and best-known problems of the welfare system. Benefit levels are as much as six times as high in some states, compared to benefits in poor states or those hostile to welfare. For example, in 1988, the highest benefit level for a family—$662.45 per month—was provided in Alaska while the lowest benefit—$113.60—was provided in Alabama. (More careful comparisons among states should include differences in the proportion of low-income families receiving welfare, as well as benefit levels.) Despite over two decades of complaints about these inequities, Congress was unable to provide any mechanism in the Family Support Act for equalizing welfare benefits across the country. These differences will probably be replicated in welfare-to-work programs; that is, the differences in welfare services available between states like California that put considerable state resources into welfare, and states like Georgia which are committed to keeping welfare expenditures as low as possible, are likely to be compounded by expensive welfare-to-work programs. Low-income states and those hostile toward welfare spending are likely to keep the numbers of welfare recipients enrolled in welfare-to-work programs low, and to concentrate on inexpensive job search services rather than education and training. Unfortunately, the low-income states are the ones that have relatively weak economies, and welfare recipients in these states need the most help to gain entry to the job market. Some of these states also have the least adequate public education systems and the largest populations with poor educations. The danger looming on the horizon, then, is that the worst JOBS programs will be established in those states with the greatest need. The only

solution to this problem is some federal mechanism to reduce the potential inequalities among state welfare-to-work programs.

Choices of Services

A second problem involves choosing the services for AFDC recipients enrolled in welfare-to-work programs. The decision by some states and localities to concentrate on job search services, rather than longer-term education and training, is obviously a fiscal decision. For some welfare recipients—those who are relatively well-educated and have work experience, who have been forced onto welfare by a temporary crisis such as abandonment by a husband or a transitory health problem—this may be exactly the right approach. But for many others—especially those with serious educational deficiencies and no labor market experience—this approach can doom them to move into temporary, low-skilled, low-paid jobs from which they are likely to return to the welfare system. Indeed, a good deal of evidence indicates the importance of more extensive education and training for such individuals (see the review of the literature in Sherman & Houseman, 1989). This evidence demonstrates serious basic skill deficiencies of welfare recipients and corroborates the importance of longer and more intensive education.

In our case studies, agencies' recognition of the importance of longer-term education and training for welfare recipients varied substantially. In one county in California, for example, the GAIN program offers welfare recipients as much education as they need, and encourages all those who are qualified to enroll in two-year Associate degree programs on the assumption that this degree will give them the best chance of permanent escape from poverty. The fact that GAIN programs in California need not cover the cost of long-term education, which is paid from state funds distributed to community colleges and area schools, facilitates the use of this strategy. The strategy is limited because clients can be enrolled in GAIN for a maximum of two years, and those clients who need extensive remediation before entering a vocational program cannot complete both remediation and a two-year program within this limit. However, in other welfare-to-work programs—especially in states with limited resources for welfare-to-work programs—fiscal limitations force local programs to offer only shorter-term and less expensive services. In addition, state policies that pressure local programs to move welfare recipients off the welfare rolls quickly do not give much recognition to the long-term benefits of more extensive vocational education and training.

The emerging tendency of welfare-to-work programs to have JTPA administer their training programs increases the demand for shorter-term training. In many ways, the use of JTPA agencies to administer welfare-related programs is appropriate because JTPA already enrolls many welfare recipients and is experienced with poorly educated and inexperienced clients. However, JTPA counselors, who are usually familiar with on-the-job training and relatively short-term job training options, are unlikely to direct welfare recipients to longer-term education programs in community colleges, technical institutes, and adult schools. Massachusetts administrators are already concerned that the consolidation of ET Choices in the Department of Employment and Training will shift services out of community colleges and into shorter-term training. Of course, where JTPA already makes extensive use of technical institutes—as in Minnesota, for example—longer-term training is more likely. In either case, the use of JTPA to administer welfare-to-work programs will introduce all the problems that exist in collaboration between vocational education and JTPA to welfare-to-work programs.

"Skimming" and Potential Changes in the Characteristics of AFDC Clients

When first implemented, welfare-to-work programs were able to serve volunteers and those AFDC recipients with the most education and work experience. However, in ET Choices and other programs that have operated for longer periods of time, increasing proportions of program participants have little education or work experience, and are enrolled because participation is mandatory. As the JOBS program extends the pool of mandatory participants to include mothers with children three to six years of age, welfare-to-work programs will find that they must provide more support services and remedial education. (Some welfare and JTPA administrators refer to the process of enrolling the least well-prepared individuals by the infelicitous phrase "bottom skimming," the opposite of creaming.) Over time, then, expenses per client are likely to increase, making it more difficult to fund longer-term education and training.

The Emergence of Creaming

JTPA, and CETA before it, have been criticized for "creaming," or serving the most job-ready applicants, rather than those with the fewest skills and least labor market experience who might benefit the most. A similar kind of selection process is apparent in many welfare-to-work programs. Although these programs may not choose which individuals they enroll, they may effectively "cream" through their decisions about which services to provide individual clients. That is, the more able clients (usually as measured

by grade-referenced tests) are directed to community colleges or technical institutes, while those with lower test scores are directed to remedial education and job search assistance, effectively providing those with the greatest needs with the least intensive services. It is not clear that programs can circumvent this problem because clients reading at very low levels cannot succeed in postsecondary programs.

One partial solution to this problem is for states to ensure that those participants in need of remedial education are not shunted into job search activities, but, rather, that they receive services that are at least as intensive as the services offered to clients who qualify for postsecondary education and training programs. As if in anticipation of this problem, the Family Support Act (Section 403) provides for a reduction in federal revenues to states that spend less than fifty-five percent of their JOBS revenues on long-term and hard-to-serve welfare recipients, though this requirement can be waived by the Secretary of Health and Human Services. Still, states will have to decide how to define the relative intensity of various services (perhaps by length of training, or more appropriately by competencies attained) and devise ways to ensure that the least educated participants have access to intensive services.

Depending on how these issues are resolved, including the resolution of funding problems, welfare-to-work programs could develop in one of two directions. They could become effective mechanisms for reducing welfare dependency, especially among long-term welfare recipients who lack basic skills and labor market experience; or they could develop into programs that cycle large numbers of welfare recipients into low-wage jobs, creating the illusion of success without making any dent in welfare expenditures. However, the decisions that will ensure that welfare-to-work programs develop in effective ways are not simple administrative decisions or coordination issues, since there now exists—even at a relatively early stage—quite good coordination among welfare agencies, educational institutions, and JTPA programs. Instead, the critical choices involve more fundamental decisions about how much funding (especially state funding) will be made available to JOBS programs and which services will be provided to welfare recipients.

ALTERNATIVES FOR FEDERAL POLICY

Much of the federal interest in coordination comes from a frustration born of trying to do good from afar. While federal legislation establishes funding and priorities, the distance from Washington to the communities where education and training are finally provided is great, not only geographically but culturally and administratively as well. This distance means that federal policymakers usually cannot intervene directly in local programs. Although federal policymakers can manipulate funding to achieve their goals more precisely, issue regulations and then try to enforce them, and invest in information designed to improve programs—for example, information about effectiveness—they cannot participate directly in deciding which institutions will provide what services.

When federal policymakers hear complaints—about duplication and waste, for example, or about ineffective programs or creaming—they can correct these problems only indirectly, using policy instruments that are interpreted first by state decisions and then local priorities. Given the inevitable slippage between federal intent and local action, the federal government's only alternative is to tighten its requirements and impose new regulations and constraints. In a sense, the history of federal legislation is one of constant tinkering in an attempt to prevent local implementation from reinterpreting federal intent. Certainly, vocational education legislation since 1963 has followed this pattern, with successive amendments focusing federal funds more and more carefully on the twin goals of improving programs and serving various disadvantaged groups. The changes in job training legislation since 1973 also embody increasingly specific federal requirements, following the initial delegation of decision-making power to states in the CETA legislation of 1973. The increase in federal requirements related to coordination of vocational education and job training is one more example of this tendency.

Given the limitations of federal policy, the question to raise is whether the federal efforts to induce cooperation have reached their limits. In this section, first we consider the possibility of further coordination requirements and raise the question of whether consolidation of legislation for vocational education and job training at the federal level might be appropriate. Next, we consider funding to foster cooperation and examine federal options related to the 8-percent program. Finally, we review several alternatives for modifying federal support for welfare-to-work programs.

"Nailing Jelly to the Wall": The Role of Federal Regulations and Possibilities for Consolidation

The relationship between vocational education and JTPA programs is a constant source of frustration for federal policymakers. As one long-time Congressional staff member described the process of encouraging cooperation, "It's like nailing jelly to the wall." Such a statement often leads to efforts to develop better jelly nails—on the assumption that further federal regulations can force the two programs to work better together. However, in our view, the coordination regulations currently included in the Perkins Act and JTPA legislation—all of which are designed to encourage cooperation by generating information flows between the programs and regular contact among administrators—have gone about as far as they can, and additional regulations such as sign-off requirements, required meetings, and joint planning exercises would not have much effect. This view is shared by most local administrators of JTPA and vocational programs, who agree that federal requirements were important while programs became familiar with one another, but who tend to think that additional requirements would merely burden the system with additional procedures. Certainly no one who is familiar with local operations can be in favor of any additional requirements: both JTPA legislation and the Perkins Act contain numerous mandates already, and complaints about paperwork are legion.

The basic reason that further federal requirements would be ineffective is that, as documented in the first section, the most crucial barriers to collaboration are no longer those of unfamiliarity or lack of information. The barriers to further cooperation in those communities where vocational education and JTPA operate in relative isolation from one another cannot be eliminated simply by federal regulation. The decisions by local SDAs not to offer classroom-based programs or not to contract with community colleges that offer only certificate and Associate degree programs are legitimate local decisions. Changes in JTPA to allow longer-term training, particularly the elimination of the cost per placement standard, would help coordination in these cases, but conventional regulatory mechanisms would not.

Similarly, the pathological interest group politics which preclude JTPA cooperation with vocational programs in a few urban areas cannot be overcome without drastic changes in JTPA. Since Congress cannot reshape local politics, the only way for federal policy to circumvent this problem would be to reduce local discretion over JTPA. However, any

effort to limit local discretion would also limit that discretion in the other areas where SDAs are working successfully to adapt JTPA rules and regulations to local conditions. Therefore, this cure might be worse than the existing problem.

Given the limits of conventional federal requirements, proposals to consolidate federal funding for vocational education and JTPA are sometimes voiced—as if that would end the problem of coordination. However, on closer examination, this proposal ignores the very different purposes of federal funds for vocational education and job training. One approach to consolidation would be to incorporate funds for vocational education into JTPA legislation, and then to allocate these funds through the existing JTPA administrative system. However, because the vast majority of funds for vocational education are state and local funds, this would do nothing to bring most of vocational education under the authority of JTPA. Furthermore, such a change would make it difficult to address the major purpose of federal vocational education legislation, which has been to improve the quality of high school vocational programs and to make them accessible to disadvantaged groups—purposes which have little to do with providing job-specific training. Particularly given the current preoccupation in Congress with reforming high school vocational programs to include more academic content, incorporating federal funds for vocational education into the JTPA system would be counterproductive.

An alternative form of consolidation would be to fold JTPA funds into the existing administrative system used for vocational education funds. But in most states, this would give control of JTPA revenues to the state board governing elementary and secondary education—a board which has little knowledge of and no authority over the postsecondary vocational education programs that most frequently cooperate with JTPA. This kind of consolidation would import the conflicts between secondary and postsecondary vocational education into the job training program, and there is no reason to think that consolidation in these states would improve job training. Even in states in which the state board for vocational education has jurisdiction over community colleges and postsecondary technical institutes, such consolidation might not make much difference. In fact, in areas where community colleges are the administrative entities for SDAs, consolidation does not necessarily affect programs because JTPA responds to different purposes, client needs, and regulatory mechanisms. Finally, some postsecondary institutions are uninterested in working with JTPA. Where this is true, directing job training funds through the educational system would be unwise.

There are other possible methods of consolidation, of course, but our conclusion is that the idea of consolidation is too facile. It ignores the real and justifiable differences between job training and federal efforts to reform school-based vocational education; and it ignores variation from area to area in the nature of postsecondary institutions.

A better approach would be to help JTPA and vocational programs accommodate each other. One such change would be the elimination of the cost per placement standard in JTPA. This would soften the cost incentive to offer shorter-term training programs and OJT instead of vocational training. It would make it easier for SDAs to offer longer-term training in cooperation with postsecondary educational institutions. Similarly, the proposals now before Congress—including H.R. 2039, which would modify performance standards for hard-to-serve clients, and S. 543, which would de-emphasize cost-related standards for the hard-to-serve and earmark some funds for "long-term training, basic skills, and educational services"—would similarly enhance collaboration.

An analogous change in vocational education would be to use Perkins funds to encourage flexibility in vocational education, particularly postsecondary programs. In the past, Congress has concentrated on reforming secondary vocational education, and the Perkins Act and its predecessors—as well as its potential successors, H.R. 7 and S.B. 1109—have focused almost exclusively on secondary programs. However, if cooperation between vocational education and JTPA remains a serious concern, then an effort to develop a coherent federal policy toward postsecondary vocational education would be appropriate (Grubb & Stern, 1989). In particular, we concluded earlier that JTPA works best with vocational education in those areas where technical institutes and area vocational schools have established intensive short-term, open-entry/open-exit vocational programs. Therefore, federal funding for vocational education to establish such programs—matching funds or planning grants, for example—would help institutions develop courses suited to JTPA. Unfortunately, one current proposal to reauthorize the Perkins Act—the Senate version, S.1109—restricts the federal funds allocated to postsecondary programs. If enacted, these limits would constrain the ability of states to develop new postsecondary programs.

The fact that JTPA works best with vocational programs that already incorporate substantial support services, including assessment, remediation, counseling, and placement services, suggests another recommendation. It implies that using Perkins funds specifically for such services in postsecondary vocational education would help these

programs work more closely with JTPA. In fact, this approach would help improve postsecondary education overall. Given the high proportion of postsecondary vocational education students who do not complete their programs (Grubb, 1988; Grubb & Stern, 1989; National Assessment of Vocational Education, 1989b), federal support for these support services might reduce the "milling around" that now takes place in postsecondary vocational education, in addition to fostering cooperation with JTPA.

Finally, any effort to make vocational education more performance-oriented will help JTPA and vocational education cooperate; even though performance-based funding is not a serious barrier for postsecondary institutions seeking to work with JTPA. Several states—Tennessee, Florida, South Carolina, and Washington among them—have taken initial steps in this direction; and Congressional proposals in the new vocational education act would establish commissions to investigate performance standards for vocational education. Certainly, there is danger as well as promise in developing performance standards: JTPA standards have encouraged creaming and shorter programs in those SDAs that are most concerned about standards,[27] and thus performance measures for vocational education need to be carefully crafted to avoid distorting the selection of clients or services.

However, substantial differences in the federal purposes for the Job Training Partnership Act and the Carl D. Perkins Vocational Education Act remain. JTPA establishes job training and related services for a population that states have not served with much of their own funding. The Perkins Act uses relatively small amounts of federal revenues to encourage specific reforms in vocational education programs that are overwhelmingly funded from state and local resources. As long as these distinct federal purposes continue, programs at the local level will be different.

Coordination and Experimentation: Alternative Uses of 8-Percent Funds

The Job Training Partnership Act (JTPA) departed from previous practice of simply mandating coordination by including funding to induce coordination with education—the 8-percent funds—as well as more conventional requirements. Now, however, it is clear that the 8-percent funds are being used for a variety of purposes unrelated to coordination, as we documented in the second section. Some of these purposes such as developing

[27] For evidence about creaming, see GAO (1989); on the effects of performance standards, see Dickinson et al. (1988).

experimental approaches for hard-to-serve populations are laudable; at the same time, others obviate the purposes and requirements of JTPA. Under the current state of *laissez faire*, it should not be surprising that the 8-percent set-aside is often treated as a slush fund that states can use for their own purposes, particularly states with active JTPA administrations. Where the state is not active, local programs often use the 8-percent funds as they see fit. Given the mishmash of uses, it is little wonder that legislation now pending in Congress changes the coordination provisions. The reform being contemplated, in amendments to JTPA, would replace the 8-percent program with a set-aside, equal to five percent of Title II-A and II-B funds, for coordination and innovation efforts that would be administered at the federal level.

However, there is little reason to think that local programs will use the new coordination funds differently than they have used the 8-percent funds. The underlying problem with the 8-percent funds—one that is continued in the proposed amendments—is that federal legislation does not specify the intended uses nor enforce such provisions. If, for example, Congress wants these funds to be used to foster stronger institutional relationships between vocational education and JTPA—or between JTPA and any other agency, including welfare-to-work and the Employment Service—then it would be appropriate for Congress to (1) specify this intent; (2) include legislative provisions to further this intent such as a requirement that federal funds support only new cooperative programs; (3) develop federal regulations (or require that states develop regulations) so that the coordination programs are jointly operated by SDAs and educational institutions; and (4) require that states and the Department of Labor collect information about successful models of coordination funded by this set-aside to share with other programs.

An alternative would be to create a set-aside to support experimental approaches, especially those designed for hard-to-serve clients as the 8-percent funds now often do. This requires (1) that federal intentions be clearly specified; (2) that local programs applying for funds specify the innovative elements of their proposals; (3) that states provide funding for sufficient periods of time for new programs to develop and secure other funding; (4) that careful evaluation of the programs' results be required; and (5) that both states and the Department of Labor collect information about successful experiments, and disseminate it to SDAs and agencies looking for new approaches. This type of set-aside would limit state and local discretion and establish a coherent federal policy, which could generate important lessons about effective vocational education and job training.

There is an important role for some program like the 8-percent funds, free from the strictures of performance standards and intended for non-routine programs. Almost all of the innovative efforts we have seen have included 8-percent funds, and most of them would not exist without that program. In this sense the 8-percent funds have been effective. We conclude that if Congress is dissatisfied with the way these resources are used, further legislation should clarify congressional intent and enforce that intent, rather than reducing or eliminating the set-aside.

Federal Options for Welfare-to-Work Programs

It is premature to state what programs will develop under the Family Support Act or how they will coordinate with JTPA and vocational education. However, given the characteristics of current programs and the incentives that confront states and local administrators, we can draw several preliminary conclusions. Probably the most heartening of these, for a Congress concerned with coordination, is that existing welfare-to-work programs have made extensive use of existing education and job training resources; indeed, many have handed over all their education and training components to JTPA. But other disturbing patterns have emerged, especially the indications that many states and local programs under fiscal pressures are unwilling to fund extensive job training and education services for welfare clients, and have chosen instead to concentrate on low-cost job search activities. The Family Support Act requires that states "shall include" both education and job skills training, but it does not require any proportion of JOBS participants to receive these services. The act and its regulations also permit, but do not encourage, postsecondary education (including postsecondary vocational education). Our concern is that, over time, the JOBS program will come to resemble the state-funded programs that existed prior to the Family Support Act in which virtually all states offered education and training, though in practice they enrolled trivial numbers of welfare recipients (GAO, 1987).

Given the apparent willingness of welfare-to-work programs to cooperate with JTPA and vocational programs, the principal barrier to further collaboration is a fiscal one. Until states have greater incentives (either high matching rates or federal mandates) to raise their own revenues, or until there are more unrestricted federal revenues, there will be few new resources in the education and training system. Instead, revenues from the Family

Support Act will be stretched thin by short-term training and job placement, and resources from JTPA and the vocational education system will be diverted to AFDC (Aid for Families with Dependent Children) recipients. Until Congress faces this dilemma, even the best of local intentions will be thwarted by the fiscal realities.

A related issue is that of variation among states in welfare-to-work programs. Even though the problem of inter-state variation in welfare programs has been repeatedly raised and dropped unresolved, such differences in welfare-to-work program threaten to make a mockery of such efforts. As preliminary investigations suggest, if it proves to be the case over the longer run that high income states spend more on such programs (and on more intensive forms of vocational education) than do poor states, welfare-to-work programs will serve simply to reinforce prevailing inequities. The antidote, as obvious as it has been politically intractable, is to develop measures that assure relative equity in welfare-to-work programs, either by requiring states to provide certain services or by increasing federal matching rates to low-income states.

An emerging administrative practice may serve to exacerbate the pressure to use short-term services. The tendency in many states and localities to use the JTPA system to administer many components of welfare-to-work programs means that the biases of JTPA—in favor of short-term training and on-the-job training—will be replicated in welfare-to-work programs. In addition, there has been a tendency within JTPA to provide the least intensive services to the most disadvantaged clients, including AFDC recipients (GAO, 1989). However, particularly among AFDC recipients who lack basic education and labor market experience, such programs are not likely to reduce "long-term welfare dependency," which is the stated purpose of the Family Support Act.

The system of individual referrals that some local welfare offices use is a flexible approach to the implementation of the Family Support Act because it allows welfare programs to offer the broadest range of services and educational options. Administrators of welfare-to-work programs should preserve as much flexibility as possible in their choices of appropriate services and programs. Those choice cannot be delegated to either SDAs or educational institutions if those agencies will limit the options of welfare clients because of a biased perception of what education and training programs are appropriate.

The real issue in the JOBS program, then, is not a coordination issue. Indeed, even at a relatively early date, welfare-to-work programs have established good working

relationships with both JTPA and vocational education. The remaining problems are instead basic problems of funding—problems that have been, sadly enough, intractable throughout the history of welfare.

EMERGING ISSUES IN THE "SYSTEM" OF WORK-RELATED EDUCATION AND TRAINING

There are a number of deeper issues in the education and training "system" that our analysis so far has just barely touched, and a set of more difficult problems that the alternative approaches to coordination in the first section and the policy options in the second and fourth sections cannot address. These issues are not considered especially urgent because of more pressing demands on public attention and more compelling claims on public resources. But we consider it crucial to raise these issues at this time because they will become important problems over the long run.

The Nature of Fragmentation

Education and training institutions have become increasingly complex over the past thirty years as vocational education in postsecondary institutions and technical institutes has become more elaborate, new job training and welfare programs have been enacted, and economic development efforts have grown. The proliferation of programs has come about for many reasons, including dissatisfaction with existing institutions, the discovery of populations poorly served by existing programs, and the emergence of new types of training needs such as skill upgrade training and retraining for displaced workers (see Grubb & McDonnell, 1989). The process of proliferation has contributed to the sense of a system out of control, one that includes more and more specialized institutions with different purposes, clients, and methods, which, in turn, creates increased pressure for coordination and collaboration.

The existing system contains all kinds of preparation for employment and suggests that one "ideal" system might give all individuals access to the following range of services, appropriately combined and ordered: general or "academic" education, including

remediation; job-specific or "vocational" preparation; assessment and counseling; on-the-job training, if appropriate or complementary to classroom instruction; and support services such as child care, living stipends, and other training-related costs. Most individuals would not need all these components and some could pay for them from their own resources, while others would need public assistance to enroll in all of them, in order to be prepared for a worthwhile occupation.

When compared to such an ideal, the central problem with the existing "system" is that only bits and pieces are in place. In most institutions, only a subset of services are provided; and some individuals such as welfare recipients or JTPA clients have special access to certain services that others, equally unprepared for employment, do not. Moreover, the variations among programs offered in different states—especially welfare-to-work programs, but also postsecondary education—means that the existing "system" is incomplete in yet another way. Thus, the real fragmentation in the system is not caused by the proliferation of institutions, but by missing pieces in the array of services available in any one institution and by incomplete access to institutions and services.

This fragmentation cannot be addressed by conventional coordination. The only antidote is to fund a more nearly ideal system in which all individuals have access to all the employment-related services they need. This vision is obviously far away from realization, and because of limited public resources, it seems absurd even to posit such a vision. But as long as the current system falls short of the ideal, then a sense of incoherence and fragmentation will persist—not because coordination and collaboration are inadequate, but because the services available are themselves insufficient for the task at hand. Given this problem, less attention to coordination and more to the inadequacies of existing programs would be appropriate.

Pressures Toward Limited Services and Short-Term Training

A second dilemma involves the mix of services offered in the current "system." Despite greater recognition of the importance of more intensive services and longer-term training, most of the incentives operate in favor of inexpensive, short-term services. One example includes the JTPA performance standards, which force SDAs to search for low-cost services. Another is the pressure in the welfare system to move AFDC clients off the welfare rolls quickly.

Generally, fiscal constraints require a tradeoff between serving more individuals with less expensive services, or concentrating more resources on fewer clients. Given the increasing numbers of individuals in serious need of employment preparation and the political imperatives to serve large numbers, the pressures are to serve more individuals with fewer resources. As the different institutions of the system become more tightly integrated—when educational institutions become more closely linked to JTPA and welfare, for example—the pressures for shorter-term training in some parts of the system affect other parts of the system such as when community colleges offer shorter programs to serve JTPA and welfare clients. This could create a completely ineffective system of job preparation because none of the participants receive enough training to prepare for employment.

Variations Among Programs and the Resulting Inequity

The proliferation and expansion of institutions give individuals who previously had no source of job training beyond high school more access to further education and training. However, differences among the major education and training programs and the kinds of individuals who gain access to them have created potentially serious inequities. Students who have access to the most educational resources—typically middle-class students, white students, and those who perform well in high school—are most likely to go on to four-year colleges, which have substantial public subsidies through direct support of state colleges and through student aid. Those students entering the regular programs of community colleges—typically of somewhat lower social class backgrounds, more often minorities, with somewhat lower performance during high school—also receive substantial public support because of state subsidies to public schools, but it is less generous than support for students in four-year colleges. JTPA-eligible clients are of even lower class standing. Their connections to labor markets are weak; many of them have limited work experience; they are much more likely than community college students to be high school dropouts; and their levels of academic performance are low. The programs that most of these individuals attend are typically shorter and less expensive than community college programs. At the bottom of the hierarchy, welfare recipients have the least education and labor market experience and the lowest incomes; and they receive the least support through existing welfare-to-work programs—in most cases, little more than job search assistance.

Therefore, we have created a system of work-related education and training that provides the greatest resources to the most able and well-prepared individuals, while those who are least able to gain access to employment are given the fewest public resources. This kind of inequity is certainly understandable; and in a period of limited public resources, the proposal that welfare programs provide training-related resources as extensive as those offered in four-year colleges would be unthinkable. However, it means that the current system is—paradoxically—the antithesis of a compensatory system, which would concentrate its resources on the least well-prepared individuals.

Shuffling Resources and the Inadequacies of Funding

The most serious problems in the education and training system—the inequities among programs and the sense of fragmentation, for example—stem from inadequate resources. The proliferation of programs could be interpreted as an increase in the resources in the entire system, but the increase in resources may not be as great as they appear because of the coordination among programs. Many of the resources in the JTPA system come from technical institutes and community colleges; and welfare-to-work programs in many states use the resources of JTPA, vocational education, and adult education. Thus, there is a tendency to shuffle resources among programs. Meanwhile, new resources are declining. As a result, the existing system becomes charged with greater responsibilities—extending most recently to welfare recipients and displaced workers, for example—without a commensurate increase in revenues.

Performance and Effectiveness

There is no question that performance standards have made JTPA programs much more performance-oriented than programs funded by its predecessor, CETA. In turn, the emphasis on performance has begun to affect other parts of the education and training system, as community colleges, technical institutes, and adult schools have increasingly provided services to JTPA and as legislation has embodied proposals to extend performance mechanisms to both vocational education and welfare-to-work programs. In fact, proposed legislation to replace the Carl D. Perkins Vocational Education Act, H.R. 7, specifies a commission to study performance standards for vocational education, as does

the Family Support Act. In addition, within the education system a constant attention to certain indicators of performance—for example, standardized achievement test scores, SAT scores, dropout and completion rates, and other indicators from the assessment movement—have exerted their own pressures.

However, the paradox is that while existing programs may be increasingly performance-oriented in the sense of being preoccupied with meeting specific performance standards, they are not necessarily more sensitive to other outcomes, especially long-run outcomes and qualitative aspects of job placement; nor is there better information in the system about the effectiveness of its various components. There has been almost no evaluation of the results of postsecondary vocational education, for example; no information about the effects of JTPA will be available until 1992; information in JTPA is not collected in a way that allows administrators to know whether certain kinds of providers are more effective than others; the results of different components of welfare-to-work programs are unknown (even though welfare-related programs have been the most intensely studied component of the entire system); and the effectiveness of the remedial education efforts that have become ubiquitous are also unexamined. The system as a whole is being driven to be more outcome-oriented without adequate information about effects.

The Education and Training System as a Remedial System

Many (though not all) institutions in the work-related education and training system are essentially remedial institutions. JTPA serves various groups of underemployed and disadvantaged workers; the welfare system and its work-related programs help a group of adults who are both severely undereducated and lack labor market experience; adult basic education programs focus on elementary abilities in the adult population; and the latest trend in training—workplace literacy—also targets adults who lack certain basic skills. Dropout prevention programs have increased in high schools, community colleges, and technical institutes. Even four-year colleges have been forced to provide increasing amounts of remedial education. In many programs—especially many JTPA and welfare-to-work programs—little vocational training can take place until individuals improve their basic cognitive capacities. Therefore, what were nominal efforts to provide job-specific skill training have become remedial education efforts. The amount of resources that are consumed by remedial education in the existing system is enormous but uncalculated.

There are, unfortunately, serious drawbacks to any remediation strategy. Few remedial efforts have ever been very effective.[28] Even the best-designed and best-implemented programs have demonstrated only modest results, and the very definition of remediation, which labels certain individuals as deficient and segregates them for special treatment, is both objectionable and often counterproductive. As educators have discovered with many compensatory programs, the cure is sometimes worse than the disease. The establishment of an entire set of social institutions with a remedial focus is a dismal prospect indeed, and casts some doubt on the potential effectiveness of the system as a whole. Unfortunately, the alternatives to remediation—either the prevention of deficiencies in the first place or the search for remedial strategies without such negative consequences—are rarely given much attention.

These problems and paradoxes fall most heavily on the shoulders of those who operate local work-related education and training programs, who must juggle urgent but contradictory demands with dwindling resources under mounting pressure to accomplish small miracles. But these are problems that cannot be addressed by program administrators because they come from the accidents of legislation and from the building of an education and training system that was unplanned at its inception and then hastily patched up with coordination requirements. These problems are also difficult for legislative committees or government agencies to handle, since the parcelling out of programs to different committees and executive agencies has fragmented authority in the existing system.

The real debate that must begin, therefore, is not about coordination in the narrow sense that usually concerns policymakers and researchers. Instead, the difficult emerging issues in the work-related education and training system must be confronted directly, with attention to the changes necessary to resolve them—some of which can be made within existing programs and others which will require more systemic efforts. Otherwise, the education and training system will continue to grow more complex, more expensive, and more laden with performance requirements and coordination mandates without making any real progress toward the goals of an effective workforce and equitable access to honorable employment for all Americans.

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[28] The National Center for Research in Vocational Education is currently undertaking a thorough examination of the remedial education attached to vocational education, JTPA, and welfare-to-work programs, examining both the coordination among programs in providing remediation and the effectiveness of such efforts.

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